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BOOKS REVIEWED IN THIS ISSUE

Books reviewed may be purchased through this office, and will be mailed, post free, at the publishers' list price Orders should be sent to PACIFIC AFFAIRS, 129 East 52nd Street, New York City

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New Books of Importance to Members of the Institute of Pacific Relations:

Problems of the Pacific, 1936, edited by W. L Holland and Kate L Mitchell (Oxford University Press, London, 21 s, University of Chicago Press, $5 00 1937) The proceedings of the Sixth Conference of the Institute of Pacific Relations Reviewed in this issue, see p 117

Peoples of the Pacific China and Her Unfinished Revolution, Japan, Where Ancient Loyalties Survive, Russia, from Tsarist Empire to Socialism, by Helen Pratt (American Council, Institute of Pacific Relations, Honolulu, San Francisco, New York 1937 $2 00 each) The Philippines, A Nation in the Making, by Felix M Keesing (Kelly & Walsh, Ltd, Shanghai, 1937, $2 00 Distributed by University of Hawaii and American Council) (Complete set of four volumes, $7 00) These four volumes give in simple and vivid language essential background knowledge about the peoples of the Far East

The Legal Status of Aliens in Pacific Countries An International Survey of Law and Practice Concerning Immigration, Naturalization and Deportation of Aliens and Their Legal Rights and Disabilities, edited by Norman MacKenzie (Oxford University Press, London, New York, Toronto, 1937, 21 s) A symposium by individuals or groups from all the principal Pacific countries One of the reports in the International Research Series of the Institute of Pacific Relations, issued under the auspices of the Secretariat

French Indo-China, by Virginia Thompson (Macmillan, New York, 1937, $5 00, Allen & Unwin, London, 1937, 21 s) An authoritative, comprehensive history of Indo-China and of the French administration of the country, published under the auspices of the American Council, Institute of Pacific Relations

Education in Pacific Countries, by Felix M Keesing (Kelly & Walsh, Ltd, Shanghai, 1937, $1 50 Distributed by University of Hawaii) Interpreting a "Seminar-Conference" conducted by the University of Hawaii and Yale University in 1936, significant for educators and all those interested in the contact of Pacific peoples with modern civilization

Limits of Land Settlement, prepared under the direction of Isaiah Bowman (Council on Foreign Relations, New York, 1937, $3 50) A survey by ten experts of the settlement possibilities of the remaining underdeveloped or frontier areas of the world, prepared under the sponsorship of the American Co-ordinating Committee for International Studies Reviewed in this issue, see p 136.

Red Star Over China, by Edgar Snow (Gollancz, London, 1937, 18 s; Random House, New York, 1938, $3 00) Reviewed in this issue, see p 110

Population Pressure and Economic Life in Japan, by Ryoichi Ishii (King, London, 1937, 12 s 6 d) An important study of population trends including discussion of the rural economic situation, problems of food supply, colonization, emigration, industrialization and birth control

The Problem of Peaceful Change in the Pacific Area A Study of the Work of the Institute of Pacific Relations and Its Bearing on the Problem of Pacific Change, by H F Angus (Kelly & Walsh, Ltd, Shanghai; Oxford University Press, London and New York, 1937, 6 s, $2 00.)

THE CHANGING STATUS OF THE CABINET IN JAPAN

YASUSHI SEKIGUCHI

THE fact that the Konoye Ministry was not formed in anticipation of the China Incident has made itself felt ever since. The grave development of the situation has led Japan into nation-wide participation in a "crusade" covering practically the whole area of China; yet the Konoye Ministry, as the nucleus of a national war-time coalition, has failed to give an impression of sufficient strength. Not only the nation but the Ministry itself feels the effect of this lack. When Mr. Yasui, on resigning as Minister of Education, recommended Marquis Kido as his successor, he was said to be taking the initiative in preparing for reinforcement of the Ministry This initiative alone, however, if it goes no further, will in turn have failed to give the impression that the Konoye Ministry is beginning to be reinforced.

The recent setting up, in view of the importance of the China Incident, of a system of Cabinet Councillors is doubtless a significant step toward the reinforcement of the Cabinet. That this was the intention of the Government is unmistakably indicated by the revival of the name of Sangi for such Cabinet Councillors.[1] Moreover, of the 10 men who have been appointed Cabinet Councillors, all but a few are recognized as belonging to the Prime Minister class, with the result that the institution has an appearance of being superior to the Cabinet. Although legally the Cabinet Councillors are entitled to treatment equal to that of State Ministers, being in function advisors attached to the Cabinet, it seems that in real practice national policies are discussed at the meetings of the Cabinet Councillors twice a week, leaving the Ministers devoted to the work of the administrative departments of which they are the heads. Thus the Cabinet meetings deal now with administrative business and are no longer ample and serious discussions of national policies.

[1] In the early years of the Meiji Restoration (1868) the term Sangi was used for the office of a State or Cabinet Minister as distinguished from the term Kyo which was used for the office of an Administrative Minister.

This, however, is an abnormal procedure contrary to the principle of responsible government [2] Consequently there are some who advocate the establishment of a system under which the office of a State or Cabinet Minister would be separated from that of an Administrative Minister or head of an administrative department. This would modify the existing system under which a Minister has a double capacity. The idea is by no means a new one but it cannot be denied that the role of the Ministers in the Konoye Ministry has made the necessity for such a reform particularly strongly felt.

The present cabinet system was adopted a few years before the promulgation of the Constitution in 1889. It was, as a matter of fact, established in anticipation of and in preparation for the Constitution by modifying the system of Dajokan which had existed until then Under the newly created cabinet system, the Naikaku Soridaijin, or Prime Minister, was co-ordinated as a Cabinet Minister with all the other Ministers whose offices combined the function of being administrative head of a department and that of being a Cabinet Minister. The office of Prime Minister was not higher in the hierarchy than that of any other minister; he was merely the senior member of the Cabinet From this it can be clearly seen that it was impossible to overcome completely the inertia of the history of a thousand years during which it had been an iron rule that no one could be Dajo Daijin, or Supreme Minister of State, unless he was of the great courtier family of Fujiwara. When this historical tradition is taken into consideration, it is not difficult to understand why the office of Supreme Minister of State was abolished under the new Cabinet system and replaced by the office of a Prime Minister who held merely the senior place in the Cabinet. The Restoration of 1868 had opened up a new era for Japan and the New Japan required new statesmen, regardless of their social status by birth Yet it was not quite possible for a man like Hirobumi Ito, who was of a humble warrior family attached to the Choshu Clan, to succeed Sanetomi Sanjo of the Fujiwara family who had been the last of the Dajo Daijin.

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[2] The Japanese Constitution is to be interpreted as providing that the Cabinet is not responsible to the Imperial Diet, its responsibility lying in the counsel it offers to the Tenno (Emperor)

The new system functioned quite smoothly so long as men like Hirobumi Ito and Aritomo Yamagata, who participated in the meritorious achievements of the Restoration, were available and were able to form ministries enjoying the support of the still remaining feudalistic regional influence. Also during the period of party Cabinets, when the head of a party formed his cabinet with his followers as ministers, there was no fundamental constitutional criticism against the system itself. However, when the Saito Ministry made its appearance in 1932, a completely new situation had arisen. In view of the political crisis this was the first coalition or United National Ministry, put together like a mosaic. The law does not empower a Prime Minister to be the real nucleus of the Cabinet. On the other hand, the Minister of Finance had come to hold the supreme influence in the cabinet system on account of his power to deal with the budget of every administrative department. Thus, under the Ministry of Admiral Makato Saito (1932) and that of Admiral Keisuke Okada (1934), Korekayo Takahashi, the Minister of Finance, was the actual central figure Similarly, Finance Minister Baba was dominant in the Hirota Ministry (1936) and Finance Minister Yuki in the Hayashi Ministry (February 1937). In all these Ministries the Prime Ministers undoubtedly were on the stage—but somewhere in an obscure corner of it.

Prince Konoye's position in his Ministry (beginning June 1937) is quite different from that of his four predecessors, although the system remains unaltered. In some respects his position suggests a revival of the system of Dajo Daijin, or Supreme Minister of State. It may be said that lack of weight on the part of his fellow Ministers, including the Minister of Finance, has given comparative emphasis to the Prime Minister, but there is a psychological explanation which is more appropriate: Prince Konoye's family is historically the senior of the Five Leading Families of the great Fujiwara Clan This would have entitled him in earlier days to the opportunity of becoming Dajo Daijin. Moreover, there has been simultaneously the revival of the term and office of Sangi, or Cabinet Councillor, and it cannot be ignored that there has been in general a spirit in the air of a "return to the old tradition."

The necessity of reforming the existing Cabinet system has, in

fact, been asserting itself in various ways since the formation of the Saito Ministry The establishment of the Conference of Five Ministers to discuss matters concerning national defense and foreign policy and the Conference of Seven Ministers to discuss internal policies in general and the problems of agricultural districts in particular, seemed to show that the usual Cabinet meeting of all 13 Ministers was not appropriate for the discussion of national policies and that a more intimately organized Cabinet would be desirable. Under the Okada Ministry there were created an Advisory Board outside the Cabinet and an Investigation Bureau under the Cabinet. This indicated a political intention to strengthen the somewhat weakened Cabinet system; but at the same time, there was undoubtedly the more real and important motive of contriving the centralization of power in the Cabinet as against the practice of interdepartmental rivalry and division of power.

The Hirota Ministry abolished the Advisory Board and retained the Investigation Bureau which, under the Hayashi Ministry, was transformed into a Planning Board with Finance Minister Yuki as its director. Under the present Ministry, Foreign Minister Hirota was at first appointed director of this Planning Board; but when it was eventually amalgamated with the Cabinet Resources Bureau, Mr. Taki, Director of the Cabinet Legislative Bureau, was made full-time director of the Planning Board. Such intricate vicissitudes in the status of a Cabinet institution do not fail to reveal the difficulties which confront the system. Its instability may be traced to the unsatisfactory relationship between the Cabinet and the executive departments; the function of unification and control cannot operate satisfactorily against the sentiment and practice of rivalry between the executive departments This, in my opinion, is because the ministers who in one capacity are the heads of executive departments are, at the same time, in their other capacity, State Ministers in the Cabinet.

During the period when the bureaucratic Cabinet was supported by the surviving influence of feudal sectionalism and the subsequent period of party Cabinets, ministers of the Cabinet were primarily State Ministers who assumed secondarily the position of heads of executive departments. In the present period members of the

Cabinet are primarily heads of executive departments who have come to be promoted to the position of ministers and are, therefore, only secondarily State Ministers. Consequently, it is presumably inevitable that departmental rivalry should tend to become more acute. Ministers belonging to political parties cannot be expected to be free from this tendency, because they come to Cabinet meetings as representatives of the bureaucracy of the separate executive departments of which they are the heads and not as representatives of their parties Even under a coalition or United National Ministry such as the present one, it is impossible to avoid the departmental rivalry based on bureaucracy. Even if an attempt were to be made to control these decentralized powers and unify them by means of an institution established in the Cabinet and composed of the officials of various executive departments, it would be futile. Even if the head of such an institution were to be made a Cabinet Minister, participating in Cabinet meetings, it would be too far-fetched to suppose that he could do what the Prime Minister could not. Were he able to, it would be necessary to consider him as the real Prime Minister. It would obviously be contrary to the strict provisions of the law.

Concurrently with the necessity for the reform of the Cabinet system, the device of creating Ministers Without Portfolio has also been considered; but if it were to be understood that such Ministers Without Portfolio would compose an inner Cabinet, the idea would not differ greatly from that of establishing a dual system of State Ministers forming the Cabinet, and departmental ministers in charge of executive departments. There have also been some who have advocated decreasing the number of State Ministers forming the Cabinet, in order to avoid rivalry between executive departments and thus to accomplish the unification of the Cabinet by amalgamating certain ministries. For instance, the Ministries of Railways and of Communications could be amalgamated with each other as a new Ministry of Traffic and Communications; or the Ministry of Agriculture and Forestry and that of Commerce and Industry could be amalgamated as a new Ministry of Industries. That such a plan would not be practical, however, is obvious from the experience of the Hayashi Ministry, under which

some Ministers occupied more than one post, with the result that, being overburdened with administrative routine, they could perform neither the duties deriving from their function as State Ministers, nor their duties as heads of executive departments. The experience of the Hayashi Ministry was not the result of an experiment, though it could have been made an experiment had it been intentionally attempted from the beginning in anticipation of a reform of the Cabinet system. It was, in fact, nothing more than an unwelcome result of the unpopularity of the Ministry itself, which prevented it from getting a sufficient number of Ministers.

If the Cabinet system should be reformed, would the Konoye Ministry be strengthened? An affirmative answer to this question would be too sanguine It would be difficult to retain some of the present Ministers in the Cabinet as State Ministers, reducing the rest to the status of merely heads of executive departments under the Cabinet, and equally difficult to form a fresh Cabinet with some of the Cabinet Councillors as members, leaving all the present Ministers as mere executive heads under the Cabinet. Any reform of such a character could only be accomplished upon the resignation of the present Ministers and, therefore, could not strengthen the Konoye Ministry itself. The logical consequence is that the Konoye Ministry cannot be strengthened except by making effective use of the system of Cabinet Councillors as an inevitable political expediency, however abnormal. Nor could the matter be left at that It is obvious that among the Cabinet Councillors there are included future candidates for the position of Prime Minister. Consequently, if a time should come when the Konoye Ministry was no longer able to shoulder heavy political responsibility, the system of Cabinet Councillors would be likely to be transformed into a source of still greater weakness for the Ministry instead of reinforcing it.

The reason why the Konoye Ministry has been able to assume political responsibility in the present crucial situation is because it enjoys the support of military circles. When military circles, the Army in particular, come to the conclusion that a Ministry should go, it goes It was thus that the Hirota Ministry resigned and that

the Hayashi Ministry was abandoned. In other words, the strength of the Konoye Ministry is proportional to the support it receives from military circles.

How is it that military circles come to have a free hand in making or unmaking a Ministry? Doubtless they represent real and actual power. There is also a legal instrument which guarantees them an effective weight in such political matters: the Minister of War must be a general or lieutenant-general on the active list, and the Minister of the Navy, an admiral or vice-admiral. That is why even in party Cabinets these two positions have never been filled by party members, no officer on the active list of either Army or Navy being allowed to belong to any political party. In Japan, however, ex-officers have more chance to become Prime Minister than do politicians. This, in most cases, is because of the political experience they have been given as Ministers of War or of the Navy.[3]

After the February 26th Incident of 1936,[4] as a means of accomplishing the "military catharsis" and on the pretext of making its effect thorough, it was declared that the political views of the Army were to be published only through the Minister of War This was to prevent the danger of having one of the generals or lieutenant-generals who had been placed on the reserve list as a result of the military purge reinstated as Minister of War,[5] and also to prohibit officers on the active list from participating in politics. This, however, does not mean that the Minister of War, as a military officer on the active list, can express political opinions of his own as a member of the Cabinet; what it implies is that the Army has political views of its own and that, if they are to be expressed, it is the Minister of War alone who can act as the legitimate channel for

[3] In the 35 Ministries which there have been in Japan, there have been 14 soldier Premiers The post of Minister of War has been filled by 24 different persons but that of Minister of the Navy by only 15, whereas there have been 47 different Ministers of Education

[4] This was a mutiny, led by certain officer groups which aimed at a new financial policy and enlargement of the military budget The Minister of Finance (Takahashi) and several others were killed —EDITOR

[5] Under the first Yamamoto Ministry (1913), eligibility for the offices of Minister of War and of the Navy was extended to generals, lieutenant-generals, admirals and vice-admirals on the first and second reserve lists Later during the period of party Cabinets, it was even advocated that these posts should be occupied by civilians

such expression. In short, the system under which the Minister of War can only be a general or lieutenant-general and the Minister of the Navy an admiral or vice-admiral, has proved that the life and death of a Cabinet are entirely at the mercy of the will of the Army or Navy.

Under the Hirota Ministry, General Terauchi, Minister of War, supported it was claimed by the general will of the Army, insisted in vain on dissolution of the Diet with the result that the Cabinet resigned. Though such a drastic step may seem anomalous when the majority of the members of the Cabinet were opposed to the insistence of General Terauchi, yet it is clear that the Cabinet was compelled to resign in a body because even if it had succeeded in persuading General Terauchi to resign alone, the Army would never in the circumstances have agreed to nominate a successor. General Ugaki then accepted the Imperial Command to form a succeeding Cabinet, but the Army refused to nominate a Minister of War, on the pretext that if General Ugaki became Prime Minister it would be difficult to carry out the military catharsis. There was nothing left for him to do but abandon the formation of his Cabinet. According to an official communique of the Army at the time, all the candidates recommended by the Conference of the Military Big Three (the Minister of War, the Chief of the General Staff and the Inspector-General of Military Education) refused the post. Even though it might be exaggerating to call this a refusal on the part of the Army, the result was that it was made impossible for General Ugaki to form a Cabinet on account of his inability to obtain a Minister of War.

The Imperial Command was then delivered to General Hayashi. As he had been a candidate for the premiership, supported by the general will of the Army, it was popularly expected that he would easily be able to get the Minister of War whom he wanted; but popular expectation again proved to be too optimistic. General Hayashi's own choice was ignored and he had to be satisfied with the candidate carefully selected by the Conference of the Military Big Three. As for the Minister of the Navy, General Hayashi's own nominee was Admiral Suyetsugu; but the Navy did not comply with the request, on the pretext that it would be inconvenient

from the personnel point of view of the Supreme Command and also because of the tradition that the candidate for the post of Minister of the Navy had always been recommended by the Navy. Accordingly, Vice Admiral Yonai, commander-in-chief of the combined fleet, was recommended and General Hayashi acquiesced.

In the formation of the Konoye Ministry, there was no modification of this principle. Prince Konoye duly obtained his Ministers of War and of the Navy first and the work of forming the Cabinet then proceeded. The fact that any candidate for the post of Minister of War or of the Navy, being an officer on the active list, is under the control of the Army or Navy inevitably implies that the Minister in question is chosen by the will of the Army or Navy authorities. The logical consequence is that success in forming a Cabinet is entirely dependent on the temper of the Army or Navy. When Ministries change the Genro, or elder statesman, receives the Imperial Command to recommend the next Prime Minister; but this can hardly be called nowadays the personal recommendation of the Genro because he has first to sound the temper of the Army and Navy and then to recommend a candidate acceptable to them.

This political superiority of the military reflects the corresponding decline of the political parties. The ascendancy of democracy after the Great War resulted in establishing party government in Japan. At the same time the world inclination toward disarmament tended, in Japan, to lower the social position of the military and to underestimate unduly their meritorious contributions to the State. This was the cause, in a way natural, of discontent among them. Meanwhile party government was exposing an unworthy spectacle to the public, whose political interest and criticism had been promoted by the operation of the system of universal suffrage. Elections were often corrupt and political scandals not infrequent. At the height of the period of party politics, Prime Minister Hamaguchi (July 1929-April 1931) pointed out the deplorable situation, saying that the public was being shown the evils of party politics before learning its merits. The public came to regard democracy first with suspicion and then with disgust. This tendency eventually grew to such an extent, fostering a certain distrust even of constitutional government as such, that it drove a group of young military officers to

an unlawful movement—the Incident of February 26, 1936. In the circumstances, it was difficult for political parties to regain popular confidence and it may be said that this public distrust of political parties has found expression in supporting the military even politically. Generally speaking, Japan did not have a genuine party government; its development followed a somewhat abnormal course and it flourished only during a short period. Failure to cultivate the fundamental requisites of party government during that short period quickened the downfall of the system and made hope of its revival rather distant.

Japanese political parties were not in their origins the crystallization of popular political influence. They were originally formed by individual statesmen who had resigned from their Olympian seats in government, as convenient instruments with which to recover power. The origins of the Jiyuto of Count Itagaki, the Kaishinto of Count Okuma, the Seiyukai of Prince Ito and the Rikken Doshikai of Prince Katsura, are examples of this. Of the present Big Two, the Seiyukai is the heir of the Jiyuto and the original Seiyukai, while the Minseito is the heir of the Kaishinto and the Doshikai. It is clear, therefore, that ever since the Meiji era there have been two big political parties, each of which has always had the characteristics of a Government party and has never been able to shine as an Opposition party.

Even during the period of party government, whichever party came into power always had greater pleasure in extending the power of the officials than in asserting the power of the people. The political parties have in fact never made serious efforts to modify or abolish laws cherished by the officials, such as the Press law, the Publications law, the Public Order law and various police rules and regulations controlling the freedom of speech, assembly, association and so forth. Another thing which clearly demonstrates that political parties are not of popular character is the fact that a party generally expands when it is the government party. For this reason, the greater the controlling power of officials at elections, the more convenient it is for the political parties. An anomalous situation thus arises: on the one hand there are movements for the purification of elections, aimed at suppressing the corrupt

practice of purchasing votes; on the other hand there are sometimes cases of alleged torture by the officials controlling the elections. While political parties undoubtedly continue to exist, therefore, there is no popular government.

IN JAPAN individualism, liberalism and democracy developed with abnormal speed, as artificially cultivated plants grow in a greenhouse When they reached their unhealthy maturity they were cut like hot-house plants. In the soil thus left vacant it would not do to transplant, however, such seedlings as Marxism or Fascism imported straight from abroad. It would be better to plant something Japanese, with roots already familiar in Japanese soil. Little can be expected, however, of the alleged Japanism advocated by those who have no real knowledge of the classical Japan but long sentimentally for some vague abstraction of 2000 years ago. They cannot but make the fatal error of forgetting the fundamental spirit of the Japanese Constitution granted by the Meiji Emperor.

The Navy and even the Army have no intention whatever of renouncing constitutional government. General Terauchi, when Minister of War in the Hirota Ministry, denied the rumor that there was such a thing as a plan drafted by the military for reform of the political structure. That the Army has no intention of abolishing political parties—or the Diet, for that matter—seems to be plain from the fact that the Army appears to welcome the birth of a new pro-military party. In the main body of a new party, the formation of which was attempted at the time of the Hirota Ministry, General Hayashi was included. This was probably the reason why he was recommended to succeed Hirota as Prime Minister instead of General Ugaki. Moreover, after the dissolution of the Diet by General Hayashi as Prime Minister, it was an ardent desire of the military that Prince Konoye should be persuaded to form the new pro-military party which they advocated.

It has already been pointed out that the political superiority of the military means the downfall of the political parties, while the participation of soldiers in politics means powerlessness of party politicians. Yet the reason why the self-purification of the parties was so strongly advised at the time of the Hirota Ministry was that

a rejuvenation of the parties was considered a necessary prerequisit for the solution of the political crisis. The parties, however, hav shown no fresh vitality indicative of rejuvenation. The recen change of creed of the Shakai Taishuto, or Social Mass Party, wa not effected in such a direction as to comply with the expectatioi of the voters

There have been three general elections since the beginning o what is called the period of political crisis. One was under th Inukai Ministry It returned the Seiyukai with a majority previousl unheard of, yet the Ministry itself fell as the result of the May 15tl Incident[6] The end of the system of party Cabinets was then mourn fully prophesied The next general election was under the Okad Ministry. The results were practically wiped out by the Februar 26th Incident, which took place only a few days after the election. The third general election was necessitated by the dissolution o the Diet by the Hayashi Ministry. The result had little real sig nificance as far as party politics was concerned because of th formation of a United National Coalition as a consequence of th North China Incident.

The Seiyukai and Minseito were represented in the Saito Minis try of 1932, the first coalition government, by two Ministers each In the Okada Ministry (1934) there were two Minseito Minister and three ex-members of the Seiyukai. Four posts in the Hirot Ministry (1936) were shared equally by the two parties. Th Hayashi Ministry (Feb. 1937) could not obtain any party Ministers as it made a point of insisting that members of political partie could be accepted only on condition that they first withdraw from their parties As for the Konoye Ministry, it includes one Ministe each from the two parties; and in addition to this, Chuji Machida president of the Minseito, and Yonezo Mayeda of the Supreme Ex ecutive Committee of Three of the Seiyukai, are among the Cabine Councillors. The Chief Secretary of the Cabinet and the Director o the Cabinet Legislative Bureau are both party men, though no of the two main parties. The parliamentary Vice-Ministers anc

[6] This refers to the assassination of Prime Minister Inukai in 1932 by fanatic connected with the military clique, as a gesture against "corrupt politics" and "impotent administration" (party government) —EDITOR

[7] See footnote 4 above.—EDITOR

Councillors whose posts were abolished under the Hayashi Ministry have been re-instated under the present Ministry. These posts, moreover, which used to be filled by members both of the Kizokuin or House of Peers and of the Shugiin or House of Representatives, are now filled solely by members of the latter. At this point a striking difference must be noted between the Konoye Ministry and the various Ministries previous to the Hirota Ministry· in the Konoye Ministry all those who occupy posts in the Cabinet or other parts of the Government do not, in a real sense, represent their respective parties, whereas previously they did.

This is a situation which not only indicates the powerlessness of the parties but also weakens the position of the Konoye Ministry If efforts are really to be made on the "United National" or coalition basis, it is absolutely necessary that various organizations and institutions should be powerful. Otherwise it will be impossible to assemble a powerful and effective aggregate of individual powers. For instance, should individuals be reduced to a state of frightened spiritlessness by any external pressure, or should the Imperial Diet or the political parties, the representatives of the nation, be degraded and enervated, the public will not be able to help feeling a lack of solid ground on which to set its feet. It is true that the Konoye Ministry gives, in a way, an impression of strength even in the face of the tremendous present difficulties. Perhaps this is to be attributed to the fact that the transparent absence of bias in the Prime Minister's personal character allows the strength of the Japanese nation to be felt. Nevertheless, the necessity of having the Ministry strengthened is acutely felt. This is due to two things: the fact that Prince Konoye has no effective political organization around or behind him, and the fact that the Prince is not a statesman who has fought through the past with any definite political view or national policy supported by political comrades.

Among those who form the Konoye Ministry there are personal friends of the Prince, but not one who has a political connection with him. This can be clearly understood when it is realized that even his connection with the Chief Secretary of the Cabinet dates from after the formation of the Cabinet. A personal faction doubtless is not desirable; but a political organization is a sheer necessity

for the materialization of durable national policies. Without it there can be neither continuity nor political development, and it is quite impossible either to obtain the real political spirit of the nation or to make the public understand or depend upon the policies which the Ministry intends to carry out.

Ever since the beginning of what is known as the "critical period," politics in Japan have been led by the military; but after all, is it a thing to be wondered at that those who have both plans and organization should lead those who have neither? It is only too obvious and logical In order to fulfill so grave a duty as national defense, definite plans are essential—particularly now when national defense is understood in a broader sense and stands on a political and economic basis It is for this reason that the military have inevitably developed definite "continental" policies from the point of view of national defense. Consequently they consider that internal political reforms are indispensable to enable the execution of these policies

Japan has had on the one hand this strong desire for reform On the other, it has had the Minseito Ministry of Premier Hamaguchi which failed to shoulder the Manchurian Incident, the Seiyukai Ministry of Premier Inukai which could not carry the burden of the political reform which was necessary, and then the Saito Ministry which followed the May 15th Incident and the Okada Ministry which went out of power after the February 26th Incident. Both of these tried to preserve the status quo in order to diminish internal friction and antagonism, but ended not only in postponing the crisis a little further but also in fostering, though unintentionally, the crisis itself. The Hirota Ministry came into power in 1936 determined to carry out general reform; but it was compelled by lack of strength to resign, leaving the promise unfulfilled. The succeeding Ministry, headed by General Hayashi, wrestled against itself and fell During these two periods only the budget for national defense requested by the Army and Navy enjoyed unwavering support. Under Finance Ministers Baba, Yuki and Kaya of the Ministries of Hirota, Hayashi and Konoye, the passage of this part of the budget has never created a serious controversy. Estimates for expenditure on reforms, on the contrary, have invariably been

abandoned. The irony of it is that those who advocated the reforms relied on the support of the military; but as the latter became more and more absorbed in their proper duties, the problem of internal reforms naturally became less and less an object of interest to them. As a matter of fact, it has been contradictory on the part of the politicians to grumble on the one hand about lack of enthusiasm in the support of the military and on the other hand to accuse the military of participation in politics.

The particular mission with which the Konoye Ministry came into power was precisely the execution of the reforms. It was in this spirit that Prince Konoye's first pronouncement stressed "international justice" and "social justice." Never did the Prince or any other person, for that matter, expect that fate would thrust him into a policy of blood and iron to make him materialize his international justice, or that by so immediate a mitigation of internal friction he would be enabled to establish his social justice. On the contrary, the method which Prince Konoye had intended to apply was considerably different. This can be clearly divined from the fact that Prince Konoye began by attempting to reform the House of Peers and to reduce the privileges of the aristocracy.

The Sino-Japanese conflict would leave far greater burdens and responsibilities to posterity if its evils were not eradicated now. In the same way internal friction would leave a far greater legacy of difficulties if its evils were not eradicated now. Although readjustment of Sino-Japanese relations based on principles of reciprocal co-operation and peace in the Far East may possibly be brought about as a result of armed struggle, no such drastic method is applicable to the problem of internal reforms. Even though nation-wide unity may be effected for the present under the terms of war, a nation-wide unity that lacks the effective collaboration of the political parties is not desirable either from the point of view of unity or from that of the political parties. If the existing parties are unsatisfactory, efforts should be made to ameliorate them. If it is impossible for them to collaborate adequately in the work of necessary reforms on account of their origins and development, then some new co-operative system must be established between the nation and the Government; perhaps by the formation of new

political parties A new party movement need not necessarily be of the same type as that which was in evidence under the Hirota Ministry. Certainly the problem of strengthening the Konoye Ministry could never be solved by adoption of the system of Cabinet Councillors or reform of the Cabinet system itself Even if Prince Konoye's personal popularity does not soon vanish like a piece of floating cloud, yet in order to give a continuous and durable character to the political purposes which are to be accomplished by the Konoye Ministry, his popularity must not be left personal but must necessarily be organized politically. To permeate the political consciousness of the nation thoroughly with political purposes and to get the nation to participate actively in State politics with its own spontaneous political activities, it is essential to promote active political expression through criticism, assemblies and so forth Such political expressions must necessarily be voiced by political organizations From this point of view Japan must consider with fresh vigor the problem of a new political party to strengthen the Konoye Ministry.

Tokyo, January 1938

CHINA'S ADVANCE FROM DEFEAT TO STRENGTH

"ASIATICUS"

AFTER a resistance, prolonged beyond all expectation, against tanks, heavy artillery and attacks from the air, the Chinese defenders of Shanghai were forced at last to withdraw. The best troops of the Nanking Government had been engaged at Shanghai and had suffered heavily. According to Japanese calculations, the retreat from Shanghai should have ended in the break-up of the Chinese National Army, leaving the invaders with nothing more serious to face than scattered local resistance. This was not what happened On the contrary, the Japanese have penetrated so deeply into China that it is difficult for them to extricate themselves; yet they continue to meet with an obdurate resistance which is national not only in the sense that provincial troops now profess a national loyalty, but in the sense that the Chinese soldier is recognized by the whole people to be the defender of the nation and the people

In order to understand this radical change in the relationship between army and people in China it is necessary to review the military aspect of the processes which have welded together a new Chinese nation

For more than three decades following the Revolution of 1911, the armies of the Chinese war lords were either at war with each other or in a state of armed neutrality. No war lord allowed the troops of other provinces to enter his domain, unless as allies in joint civil war against rival groups. Even at such times, the troops of different war lords had to be kept apart as a precaution against treachery Up to 1927, the internationally recognized Peking Government had to rely on such provincial warlord armies instead of on really centralized military forces. It was therefore, apart from its function as a servant of foreign imperialism, the agent of provincial warlordism in grabbing central revenues and expanding warlord domains. The whole system, thus rooted in warlord armies, was a source of constant civil war which victimized the Chinese people.

Soldiers were regarded as a common plague, especially by the poor, who often feared them, and with justification, more than bandits Such troops were useful only in campaigns against similar Chinese armies They were of little if any use in defending the country from foreign domination and aggression. Many of the northern war lords, especially, were regarded as the tools which imperialist powers used for fighting their wars on Chinese soil.

Yet the new national army of China was created out of the same human material as the warlord armies Sun Yat-sen was one of the greatest enemies of Chinese warlordism; but he started his work for the National Government in the south by co-operating with certain southern war lords who themselves were already politically influenced by the commercial bourgeoisie, whose interests they defended against the northern war lords and the Peking Government. After re-organizing the Kuomintang under a democratic-revolutionary policy, Sun Yat-sen succeeded in subjecting some of the southern militarists to the control of his political mass movement, re-organizing provincial forces and defeating the remaining reactionary war lords.

The soldiers of the Chinese war lords were peasants They had to become conscious of their national and economic interests before they could be led against the quasi-feudal provincial despots who were the tools of foreign imperialism. The Northern Expedition of 1926-28 resulted in the defeat of the most reactionary and powerful war lords in all China, and it was this revolutionary civil war which prepared the ground for organizing a centralized national army. The Northern Expedition itself had been prepared for by the growth of a political mass movement which had succeeded in achieving political domination in the south, leading to the rise of national-revolutionary activity throughout Central and North China. The main reason for the swift military success of the expedition was the organic connection between its Nationalist armed forces and the broad masses of the people.

The Northern Expedition had in fact two distinct phases, separated by the split between the Nanking and Wuhan Governments in 1927. In the first phase both military and political successes were rapid and uninterrupted, military activity being accompanied by

a popular mass movement. In the second phase, these two columns of the Nationalist forces were separated and, to an ever-growing extent, directed against each other, with the result that the Northern Expedition ended inevitably in merely nominal submission of the northern war lords and a general compromise between warlordism and the military forces of the National Government at Nanking. The Kuomintang became, in fact, the political representative of both these distinct military camps. Its main function was to compromise between their conflicting interests, while at the same time it directed a ruthless struggle against the democratic-revolutionary activities of the people's masses.

Provincial warlordism, most firmly entrenched in the northern provinces, remained one of the chief obstacles which hindered the process of true political centralization. Other obstacles were the anti-democratic policy of the Nanking Government and the Kuomintang; and, last but not least, Japanese intervention and aggression. Nevertheless, after the conclusion of the Northern Expedition the offensive power of provincial warlordism was broken. It was fighting on the defensive. This was true even in such northern provinces as Hopei, Chahar, Shansi, Suiyuan and Shantung, which were not yet in fact under the direct authority of the Central Government at Nanking and recognized even its indirect authority only in a formal way. This however was no longer due to the military strength of the northern war lords but primarily to direct Japanese intervention In the last stage of the Northern Expedition, in 1928, and in the subsequent campaigns against Yen Hsi-shan and Feng Yu-hsiang in 1929-30, the Nanking armies made important inroads into North China. They broke up the greater warlord armies, ousting them from Honan, Anhui and Shensi and confining them to their "home" provinces north of the Yellow River. As early as 1928, Japan intervened with direct military action (in Shantung) against Nanking's centralization campaigns, and later it was Japan again which applied military pressure to force the Central troops out of Hopei. The steady decline of the influence of the northern war lords even in their own area was one of the reasons which convinced Japanese imperialism that it was high time to strike successively at Manchuria, Inner Mongolia and North China. At the same time, after

this intervention had begun, it was the growing Japanese military pressure on the northern war lords which increasingly forced Nanking to assert its national and political authority over the northern provinces, in spite of the fact that Japanese intervention compelled the Nanking forces to halt at the Yellow River.

The utter failure of the Japanese scheme for separating the northern provinces from Nanking through an alleged "autonomy movement" of the provincial war lords is especially illuminating. In the autumn of 1935, speculating on the resistance of the northern war lords to centralization, the Japanese military forced the ex-Manchurian and Central troops out of Hopei, thus assuming without disguise the position of protectors of northern provincial warlordism against Nanking. The plan, of which General Doihara was the chief promoter, was to form a confederation of northern war lords under a pretended "autonomy movement," including the provinces of Hopei, Chahar, Shantung, Shansi and Suiyuan. The whole area between the Yellow River and Manchukuo was to be closed against military inroads from Nanking, thus relieving the northern provincial war lords from all pressure on the part of the Central Government. This new state of affairs was defined in the Ho Ying-ch'in-Umetsu Agreement, proving—since Ho represented Nanking—that it was not the outcome of a rebellion of the northern war lords against Nanking, but quite directly of Japanese intervention against the process of centralization in China.

UNTIL 1930, the area of the northern war lords had extended to Shensi and Kansu in the northwest and to Honan and Anhui in Central China, menacing directly Nanking itself and the territory under its immediate authority. The military forces of the Central Government proved strong enough, however, to force the war lords to the north and east of the Yellow River, from which position they could not challenge the Central Government except by resisting centralization in their own "home" domains. This proved that the trend toward centralization was stronger than provincial militarism, in spite of the fact that the war lords curtailed their rivalries for the sake of greater solidarity against Nanking, and were even ready to play off the dominating Japanese influence in

the north in order to bolster up their declining provincial independence. The "autonomy movement" of the Japanese military was an attempt to check the collapse of the northern war lords by uniting them in a confederation against Nanking and revitalizing them in order to menace the Central Government with civil wars for the expansion of the warlord domains.

This however was too much "love" even for the northern war lords Japanese pressure, interfering with the process of centralization, had helped them to survive, but they were in no mood to attempt a repetition of the history of warlordism before the Northern Expedition The forces which had succeeded in subordinating warlordism to centralization in South and Central China were steadily at work in North China also. Their principal source was the rise of the national revolution and the awakening of the popular masses to political activity, corresponding to the expansion of the economic and political influence of the Chinese bourgeoisie, to the spiritual leadership of its revolutionary intelligentsia, and the mass activities of the peasants and workers. The Japanese military counted on the fact that previously this whole process of national renascence had developed in North China at a much slower rate than in Central and South China They relied primarily on intervention by force to stop this process in the north; but conditions in the north were rapidly changing. The steady development of modern market conditions was linking North China ever more closely with Central China, especially after the Japanese occupation of Manchuria and a considerable part of Inner Mongolia. This had been as heavy a blow to the interests of Chinese finance, commerce and industry in North China as to the interests of the broad peasant population.

The Japanese military underestimated this aspect of the reaction against their aggression. They thought that in order to proceed with the traditional game of playing off the northern war lords against the Central Government, it was enough to relieve them from military encroachment on the part of Nanking and subject them to Japanese military pressure instead. Accordingly, they forced Nanking to sign the Ho-Umetsu Agreement, to remove the Peiping Military Council, which had been headed by Ho Ying-ch'in, Nanking's Minister of War, and backed by ex-Manchurian and Cen-

tral troops, and to retreat to the position of a Hopei-Chahar Political Council, thus preserving a merely formal remnant of Nanking authority and conceding in practice the principle of "autonomy." At the same time, the Japanese military created "autonomous governments" in East Hopei and North Chahar, completely separate from and opposed to the Central Government, thus securing the strategic approaches from Manchukuo to North China and subjecting the Hopei-Chahar Council to an ever stronger military pressure, pointing toward the enforcement of "autonomy" for the whole of North China.

This iniquitous scheme failed completely After the loss of Manchuria, Jehol and parts of Chahar and Hopei, North China had become again the frontier region of China—as often before in the past, when foreign invasion had menaced the national independence and existence of China North China was now the last barrier holding the conquerors from the valleys of the Yellow and Yangtze Rivers and from the coastal region of South China. Conditions were now very much different, however, from those of the feudal past. Central and South China were now the most stabilized focal points of the modern Chinese renascence and the principal gateways to world trade. They contained also powerful foreign interests other than those of Japan, which were opposed to the aim of placing Japanese military and maritime power between China and the rest of the world North China was now, more than ever before, of paramount importance for the industrialization of the Yangtze valley and the coastal districts, especially as a source of agricultural and industrial raw materials and minerals—its mineral resources, especially, being the most important in all China both in potential capacity and in actual development The loss of North China would be fatal to the whole reconstruction program of the Central Government and also to every interest in China's foreign trade and investment that had not been monopolized already by Japan and subordinated to the needs of Japan's empire The interests of all China in general and the most vital interests of the whole population in North China, in particular, did not allow the northern war lords to play the role designed for them by the Japanese military.

This was why the idea of a confederation of the northern war

lords could not be realized. Neither Yen Hsi-shan, the war lord of Shansi and Suiyuan, nor Han Fu-chu of Shantung was ready to join the Hopei-Chahar Council. On the contrary, they were both drawn more closely than before to the side of Nanking. Yen Hsi-shan, especially, who had tried at first to continue his old policy of compromising with the Japanese, relying on his strong semi-independent position, found himself in dire need of direct military support from Nanking, when the Chinese Red Army launched a campaign against his rule which would have lost him his domain if he had not been saved by military support from Nanking. This lesson, followed by closer political and military dependence on Nanking, made him support the Central Government and reject all Japanese intrigues. The Japanese tried to make him more willing by invading Suiyuan from North Chahar, with the quite contrary result that he was forced to resist actively with his provincial troops and to invite support both from the Central Government and from anti-Japanese popular organizations, in order to check the invaders. Han Fu-chu, in Shantung, also rejected offers to join the Hopei-Chahar Council, while considering, in co-operation with Nanking, ways and means of defending his province against Japanese invasion. Thus the whole autonomy scheme remained confined to Hopei and Chahar, and even here, under the influence of the same process, it was restricted gradually to the region directly adjacent to Manchukuo and to the Tientsin-Peiping district—the area, that is, actually dominated by the Japanese Kuantung and North China Armies.

Direct pressure from the Japanese garrisons in the Tientsin-Peiping district and the buffer areas of East Hopei and North Chahar, and the readiness of Sung Che-yuan and some of his local war lords to uphold the "autonomy" scheme and compromise with the Japanese by concluding local agreements, made Hopei and Chahar the weak points in China's defense. Yet even this was not of much use to the Japanese military, who soon realized the dangers arising out of the failure of their scheme for "autonomy" in North China. Moreover, the 29th Army, commanded by Sung Che-yuan and garrisoned in the important strategic region between Tientsin and Peiping, gave many signs of being determined to defend its positions and to turn against its warlord commanders

if they agreed to extend the Japanese zone of military occupation. It was in fact the heroic resistance of the rank and file of the 29th Army, and those of its officers below the high command, that nullified all "local settlements" between the Japanese military and the Hopei Chahar Council, after the new Japanese invasion had begun. The commanders of the 29th Army were left with no choice but to join their troops in national defense or to become Japanese puppets, isolated from their own soldiers and the Chinese people Thus the only result of the "autonomy" scheme was to prove that even the northern war lords would lose their own armies and their domains, the principal conditions of their personal power, if they continued to compromise with the national enemy It made clear the fact that the soldiers of the warlord armies are now no longer the old mercenaries of quasi-feudal provincial sovereigns, but national troops These warlord armies are now deeply involved in the process of transforming all military forces in China into a unified and centralized national army.

This process is part of the general and national centralization that is going on throughout China, but it is quite naturally based on the nation-wide determination to resist Japanese aggression and recover the lost national territories Here it should be noted that Chiang K'ai-shek, as the Chinese Generalissimo, in all his campaigns for the subordination of the northern war lords to the Central Government and his direct military command, was supported strongly by Marshal Chang Hsueh-liang, the former war lord of Manchuria Chiang K'ai-shek himself, in his "Extracts from a Diary" dealing with the Sian rebellion, remarked of Chang Hsueh-liang that "ever since 1928, when Chang, of his own volition, took orders from the Central Government, and thus helped to bring the nation into unification, I have always regarded him as a patriotic and promising soldier "[1]

Chiang K'ai-shek here refers to Chang Hsueh-liang's policy, in 1928, of supporting Nanking's centralization campaigns in North China with the then considerable Manchurian Army. The main reason for Chang Hsueh-liang's policy at that time, however, was

[1] *Sian A Coup d'Etat* Shanghai, 1937, p 91

his increasingly urgent need for protection against the aggressive aims of the Japanese military, who even then were insisting on Manchurian independence of the Central Government. The co-operation between Chiang and Chang became still closer after the Manchurian forces were compelled to abandon their provinces and retreat to positions in Hopei and Jehol. From that time they were really on the payroll of the Central Government, with garrison districts fixed by the Central military command against the interests and even the resistance of other provincial war lords of North China The ex-Manchurian army was useful for this special purpose, being vitally interested in creating conditions in the provinces neighboring Manchuria that would be favorable to preparations for the recovery of Manchuria After the Japanese conquest of Jehol, followed in due time by Japanese military pressure for the removal of the ex-Manchurian troops still remaining in Hopei, these troops settled down in Shensi and Kansu, still holding important positions on the borders of the projected "autonomous" North China, though ordered in the meanwhile to fight the Chinese Red Army This latter mission however the ex-Manchurian troops could not fulfill On the contrary they came to regard the Red Army as their actual ally and this they finally proclaimed in the Sian coup, being determined again to fight their way back to Manchuria in the vanguard of a Chinese national army fighting against the invader.

Chiang K'ai-shek, as Generalissimo, had until this time been the chief exponent of the policy of enforced centralization through the gradual expansion of a strong central army, operating with the full authority of the National Government and securing the co-ordination and subordination of the provincial forces through politico-military alliances and campaigns. Chang Hsueh-liang and his generals represented another trend in the process of centralizing the Chinese armed forces; not quite contradictory to that represented by Chiang K'ai-shek, but rather complementary to it and expressing the patriotic feelings of the rank and file and officers of the ex-Manchurian army, which had retained its entity in spite of losing its home territory to the Japanese and was determined to take revenge on the aggressors and to recover the lost provinces. As the subordination of the northern war lords and the centralization of

military command promised to open a way to the north for the Central Army which was important strategically and politically as the basis for any serious national plan for the recovery of Manchuria, Chang Hsueh-liang was in this respect bound to co-operate closely with Chiang K'ai-shek In fact, the ex-Manchurian army, both in becoming a unit of the Central military forces and in its painful experiences in the north and northwest, learned that the recovery of Manchuria could result only from true unification within China, the centralizing of all military forces and a protracted struggle for national existence Such processes could not lead to the re-instatement of the old provincial warlordism either in Manchuria or in North China This explains why the order to fight the Chinese Red Army conflicted violently with the anti-Japanese determination of the ex-Manchurian troops, and why they responded to this particular order at first with passive resistance and finally with an open rebellion, the very character of which proved that warlordism had been definitely defeated.

The following statements by Madame Chiang K'ai-shek, in her story of *Sian A Coup d'Etat*, emphasizes what I have said:

> What happened at Sian during the fortnight beginning December 12 last was not a rebellion as we know such politico-military upheavals in China
>
> No question of money or increased power or position was at any time brought up Indeed that aspect of the usual bargaining by recalcitrant military leaders was entirely absent from this mutiny.
>
> This is the first time on record that any high officer responsible for mutinous conduct had shown eagerness to proceed to the Capital to be tried for his misdeeds [2]

Chang Hsueh-liang saw that all attempts to force the soldiers and officers under his command to fight the Red Army could only result in losing his army altogether. He wanted to retain the command of his army, in loyalty to his troops and to their patriotic desire to take part in the national defense and the struggle for the recovery of their home provinces. He therefore identified himself with the movement for national salvation, which demanded cessation of civil war and the unification of China in order to resist Japanese

[2] *Op. cit.*, pp. 1, 45, 51

aggression. His primary aim was to reconcile the policy of Chiang K'ai-shek, his military superior, with this rapidly growing popular force, which offered a means of centralization incomparably more powerful and successful than reliance on mere force and civil war. However, the methods he used—mutiny and the kidnapping of the Generalissimo—were warlord methods, which would only, if not checked at once, have defeated the ends of his own actions. Through concentrated efforts and notably the statesmanlike representations of the spokesmen of the Chinese Red Army, this menace was quickly overcome and the cause of national unification and military centralization in China won its greatest victory.

Chang Hsueh-liang is not the only former war lord who has become a patriotic military leader. Feng Yu-hsiang, once among the most powerful war lords in the north and northwest, has for years co-operated with Chiang K'ai-shek in the special task of subordinating the northern warlord armies to the central military command and has become one of the most popular military leaders at Nanking. Pai Chung-hsi of Kuangsi, one of the strongest provincial commanders, a renowned strategist and for years defiant of subordination under Chiang K'ai-shek, also joined the central command at Nanking in 1937, bringing his provincial units to join in the fighting. Other military commanders from all parts of China, both those with armies and those without, have also put themselves at the disposal of the Central Government.

The 8th Route Army, formerly the Red Army and now at the orders of Chiang K'ai-shek under the command of its own leaders, Chu Teh and P'eng Teh-huai, is unique among Chinese armies. It has never been provincial in affiliation and has always been in every aspect quite the opposite of a warlord army Its co-ordination with the military forces of the Central Government under the supreme command of Chiang K'ai-shek was the outcome of a political deal between Chiang and the Chinese Communist party for the special purpose of effecting a national united front for the war of resistance against Japanese aggression. Like the central armies, the former Red Army is truly national in character and above all it is a real people's army. The former Red troops are among the best in China, with the greatest experience in actual warfare and the

foremost reputation in guerilla fighting. Their high fighting ability, daring spirit and great mobility, together with the strategic skill of their leaders, are confirmed even by their former and present enemies. They are the result of consistent military and political training, not in garrison posts but in years of fighting, organizing and propaganda for national revolution, peasant liberation and democratic government. This army was built up in the closest organic connection with and by the people, and this is the secret of its success.

T. V Soong, President of the National Economic Council and Chairman of the Bank of China, in an interview with Edgar Snow, correspondent of the London *Daily Herald*:

> pointed to the successful warfare being conducted by the 8th Route Army in North Shansi against a vastly better equipped war machine Later on he again alluded to the long opposition maintained by the Communists in South China as an example of the ability of the Chinese people to face great odds. "With only half of Kiangsi province as their base, the Communists fought half a million government troops," he said, indicating the possibilities of the whole nation when mobilized and of a single purpose.[3]

The record of the Red Army is that of a people's army against feudal warlordism in China. As fighters for democratic and national revolution they were the greatest terror to all war lords in the provinces through which they passed in their marches from the south to the northwest. This historic fact was also one of the main reasons for the cessation of civil war among the war lords, for it helped Central forces to penetrate into the warlord domains and subordinate them to Nanking. During the Sian rebellion the Red Army was strongly opposed to the warlord methods of threatening Chiang K'ai-shek applied by Chang Hsueh-liang and Yang Hu-chen Madame Chiang K'ai-shek herself testifies to this:

> We heard nothing of menaces from the Reds during all this time Quite contrary to outside beliefs, we were told, they were not interested in detaining the Generalissimo Instead, they preferred his quick release[4]

The task of defending North Shansi, allotted to the 8th Route

[3] Quoted from the *Shanghai Evening Post and Mercury*, October 21, 1937
[4] *Sian A Coup d'Etat*, p 39

Army, had been prepared for by the inroads it made into Shansi during its campaign against Yen Hsi-shan. It was during this campaign that strong Central forces were able to enter Shansi, and as a result of both the Red campaign and the penetration of Shansi by Central troops, Yen Hsi-shan lost his freedom of action in defying the policies of Nanking and bargaining independently with the Japanese. The distribution of the former Red forces in North Shansi prevented last-minute deals and constituted the most formidable bulwark against the Japanese invaders in North China

THE special aim of Japan in this war has been "to chastise the outrageous Chinese army." The unification of all armed forces in China under central command and with all resources of the nation at its disposal is certainly the greatest menace Japanese imperialism has ever faced in China. After the failure of the "autonomy" scheme in North China, Japan attempted to isolate its part of China by force and to crush Chinese military and political centralization The plans of the Japanese military depended in part on a new attempt to use the northern war lords, this time for the special purpose of disorganizing Chinese resistance and preventing the central command at Nanking from co-ordinating and re-inforcing the troops in the north and re-organizing them as a unified army of national defense. The Chinese command, however, did not play into Japanese hands Its aim was to unite all military forces, including those of the northern war lords. The Japanese had counted on the theory that the warlord system of personal armies within isolated territories would make possible only sporadic and local resistance Military expeditions from other parts of China, it was assumed, would have to pass through more or less autonomous warlord regions, thus creating many serious problems as to actual territorial jurisdiction. Since the warlord armies of the north had not been ready to play the part allotted to them in the "autonomy" scheme of the Japanese military, it was hoped that they would at least face the Central troops as rivals and intruders in their provinces. It was assumed that this would be inevitable, because the Central forces would be bound to assert authority over each war lord in his provincial domain, if only in order to prevent local treachery and

compromise between any individual war lord and the Japanese at the expense of Nanking

This expectation was disappointed because Nanking did not try to enforce its commands on the war lords, but merely urged them to defend their provinces with their own forces. It even placed the re-inforcements from other provinces under the command of the local war lords. The Central forces remained strategically at their bases along the Yellow River, and moved north only in part and in order to insure co-ordination Such tactics involved the risk of inadequate defense of all territory north of the Yellow River, except for Shansi, where the situation was from the beginning different, because of the positions of the Central troops and the former Red Army This weakness was compensated for as far as possible by attempts to avoid crushing defeats of the northern forces, by concentration on rear-guard fighting and strategic retreats toward the central positions The main purpose of the Chinese central command was to strengthen the basis of military centralization by unifying forces and organizing resistance throughout North China, so as to face the Japanese invaders with a unified national army.

In spite of territorial losses, this plan was successfully carried through This is proved by the fact that the rapid advance of the Japanese forces defeated one of the essential Japanese aims—to take over and employ the warlord armies, thus creating confusion and emphasizing the alleged disunity of China. Japan has thus been left with no satisfactory puppets to manipulate, while the warlord armies have for the most part been successfully withdrawn, brought under central command and gradually merged into the unified National Army

The Chinese National Army has therefore become a reality This is more important than the loss of territory and the partial destruction of the "crack" Nanking divisions on the Shanghai front With the close of the first phase of the war, at the end of 1937, China was actually in a position to clear away the last hindrance of obsolete warlordism, to begin the steady strengthening and modernization of its national defense, in spite of the loss of Shanghai, and to face the aggressor with a co-ordinated national power.

Shanghai, December 1937

THE STRATEGY OF THE SINO-JAPANESE CONFLICT

HERBERT ROSINSKI

IN THE planning of a war or of a campaign, the determination of the political objective to be attained is the decisive act of judgment, as the greatest of all military theorists, Clausewitz, puts it The difficulty of appraising the strategy of the present Japanese war on China lies precisely in the fact that after months of fighting its political purpose, and consequently its fundamental strategy, have only begun to be defined.

For whatever the interpretation put upon the political significance of the conflict, one thing seems to have emerged quite definitely, and that is that neither Tokyo nor Nanking—for different reasons—wished for a clash at this juncture. Both sides were rushed into it by the men on the spot. The most outstanding feature of the conflict, on the side of the Japanese, whose positive objective and superior offensive power have determined the strategy of the campaign, has been the improvised manner in which the military and naval authorities, themselves originally taken by surprise by the action of the Japanese North China Army, mobilized and dispatched troops, directing their movements as the military exigencies of the moment and the continuously expanding political purpose of the conflict demanded. The political intention seems in the beginning, up to the outbreak of fighting in Shanghai in the middle of August, not to have gone beyond a local punitive action, though aimed, it is true, at reaffirming once and for all Japan's political control of the two provinces of Chahar and Hopei.

When the outbreak of fighting around Shanghai definitely transformed this local affair into a general struggle, the Japanese aim expanded first into a plan for the "emancipation" of the five northern provinces of Hopei, Chahar, Suiyuan, Shansi and Shantung, and then into an attempt to force the Chinese Government to renounce forever all anti-Japanese activities and aspirations. It was only when Chiang showed his determination to fight on, even after the fall of

Nanking, that the Japanese Army seems to have been able to impress its view of the necessity for overthrowing him completely both on the Navy, which dreaded an excessive entanglement on the continent, and on the political leaders of Japan. The setting up of the puppet government at Peiping was the first step in this direction Even so, the reluctance of the responsible authorities to embark on such a hazardous course has been so great that they have carefully avoided committing themselves to it irrevocably, through an Imperial utterance

The main reasons for this reluctance are not so much the appalling magnitude of such a task as its possible effect on the economic difficulties of Japan, and above all the imminent danger of intervention, which has hung over Japan's actions from the very outset By far the greatest menace in this respect, in the Japanese estimate, is the Far Eastern Red Army, the only force which is both within striking distance of Japan itself and capable of attacking effectively by land, in Manchuria, without having first to break down the control of Far Eastern waters established by Japan's navy A measure of the Japanese apprehensions in this quarter is given by the fact that even with the security afforded by the Anti-Comintern agreement with Germany and the supposed weakening of Russia's striking power through the Tukhachevski purge, the Japanese general staff has concentrated nearly half of its forces on the continent (400,000 out of 900,000 men), including the cream of the young regiments, with tank and artillery units, opposite the Soviet frontier, from Vladivostok and Khabarovsk in the east to Manchuli in the west. This made it necessary to conduct the Shanghai campaign to a large extent with reservists of over 30 years of age, and old stocks of armaments and munitions

Yet with all its commitments in Manchuria, Japan's major strategy in this war has been essentially just as "maritime"—and up till now "limited"[1]—in character as in its former wars against China and Russia Little though it appears on the surface, the control estab

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[1] The author points out that he uses the term "limited" war in a different sense from that in the article "'Limited' War and World War," PACIFIC AFFAIRS, Dec 1937, pp 450-453 In the present instance, it is used to denote a war aiming at a limited objective, and not at the complete overthrow of the enemy's power of resistance —EDITOR

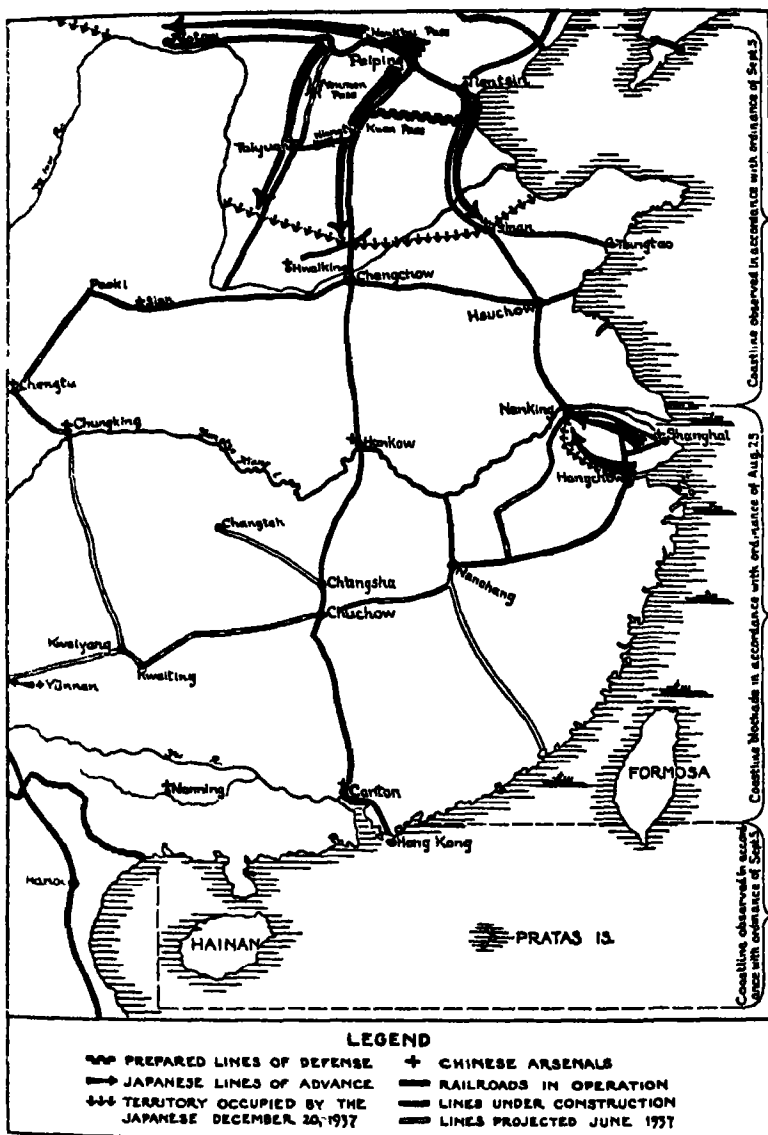
lished by Japan's navy in Far Eastern waters is today just as much the keystone of its strategic arch as it was in 1904-5. This is not only because of the heavy pressure brought to bear on China by the stopping of sea-borne supplies, but above all because of the security it confers against any intervention from overseas except by the combined strength of the two Anglo-Saxon navies Both Great Britain and America have sufficiently large present stakes and future prospects in China to view with most serious alarm, after the lesson of Manchuria, the prospect of Japanese control over the whole of the country. The remnants of neutral extraterritorial status, still surviving from China's former semi-colonial status in the form of foreign settlements and gunboats, constitute a unique feature of the present conflict They have already, and inevitably, given rise to sufficient incidents to start a score of world wars. Yet here again, just as in the north, the situation on the chessboard of world politics has proved singularly favorable to Japan, which has been able to supplement its own inadequate strength by a suitable alliance. Through the recent expansion of the Anti-Comintern Pact into a triangle including Italy, Great Britain, hitherto by far the more deeply hit and the more active of the two potential interventionists, is so far bound in Europe that it seems incapable of sparing any considerable part of its naval forces for the Far East. Without British assistance the United States, alone, is incapable of effective action, even if public opinion should be more favorable than it has been up to the present.

The intimate interrelation between Japan's "great continental strategy" and its immediate "local" objectives in China has been particularly apparent in the northern campaign. The thrust westward through Chahar and Suiyuan was intended to separate China from Outer Mongolia and any effective Soviet assistance. At the same time the five northern provinces were to be overrun and "liberated" from the influence of Nanking. The drive along the Peiping-Suiyuan railway, once the heavy resistance at the strategic gateway of Nank'ou had been overcome by a daring flanking movement, proceeded at an almost incredible speed. One detachment of the Kwantung army drove its opponents within 20 days over a distance of more than 160 miles. The main thrust southward through Hopei

and Shansi, however, met with far more serious opposition. In Hopei the columns advancing along the Tientsin-Pukow and Peiping-Hankow railway lines, as soon as the North China autumn set in (about the middle of September), met a determined though not very effective resistance along a series of strong positions prepared as far back as 1935 The most important of these was the 100-mile barrier of concrete forts and dugouts stretching from Machang to Ts'angchou At the same time the western column, after having forced its way into Shansi from the north, through the Yenmen pass, was nearly trapped by Chinese forces closing in upon its rear from both sides. Having extricated itself from this situation, largely thanks to its superiority in the air, it was held up for nearly four weeks (Oct 12 to Nov 4) north of T'aiyuan. It succeeded in resuming its advance and capturing T'aiyuan itself, after 24 hours of desperate street fighting, only when another column had been sent westward to its assistance from the Peiping-Hankow railway, breaking through the Niangtzekuan pass (Oct 12 to 27) and thus threatening the defenders of T'aiyuan from the rear.

Thus by the beginning of November Japan, in the north, had occupied four out of the five provinces that formed its immediate objective, and had come to a standstill on a line running roughly from T'aiyuan to the lower reaches of the Yellow River, opposite Tsinan On the western part of this line, in Honan and Shansi, the Japanese were later forced to shift backward, owing to the withdrawal of no less than one third of the troops originally employed in the north (75,000 out of 275,000 men), for the reinforcement of the Shanghai-Nanking campaign

IN THE meantime the Japanese landing at Shanghai, originally undertaken with quite inadequate forces and criticized in consequence as a sideshow detracting from Japan's strength in the decisive theater of war in the north, had through the continuous reinforcements on both sides gradually developed into the main action. The heroic stand put up by the Chinese for nearly three months had ended when a successful Japanese landing in Hangchow Bay threatened their flank and forced them to withdraw to the west on November 11. Morally, the stand at Shanghai was an

Chengchow
Hsuchow
Nanking
Shanghai
Hankow
Chungking
Changsha
Canton
Hong Kong
Kweiyang
Kweilin
FORMOSA
HAINAN
PRATAS IS.
LEGEND
PREPARED LINES OF DEFENSE
JAPANESE LINES OF ADVANCE
TERRITORY OCCUPIED BY THE JAPANESE DECEMBER 20, 1937
CHINESE ARSENALS
RAILROADS IN OPERATION
LINES UNDER CONSTRUCTION
LINES PROJECTED JUNE 1937

immense success, not only in its effects upon world opinion but still more in its effects upon the Chinese people. If the continuous series of defeats in the north had not been thus offset, the still very weak fabric of China's unity and will to resistance would probably have broken down, but after this vindication of the national honor even the final retreat did not seriously affect the Chinese morale, and change in strategy to a long-drawn retreat into the interior became psychologically possible for Chiang K'ai-shek. Because he had stood at Shanghai he could retreat from Nanking without loss of prestige.

The price paid, however, was terrific. Out of the 70 to 80 Chinese divisions (700,000 to 800,000 men) thrown bit by bit into the furnace at Shanghai, nearly half (300,000 to 400,000) were either wounded or dead. So severely were the troops in the front line shaken that they had to be completely withdrawn and reconstituted behind a new front formed of fresh forces. These in turn speedily collapsed during the following weeks, despite the "impregnable" Hindenburg lines prepared between Soochow and Wusih and the Yangtze. Under cover of the rearguard defense of Nanking, Chiang withdrew the bulk of his forces into the interior, to reconstitute them for a new campaign.

As for the actual conduct of operations, the Japanese advance in the north was remarkable not so much for the strength of the Chinese resistance encountered as for the natural obstacles overcome and above all the immense territory occupied by not more than 275,000 men. This meant that the Japanese armies had to confine their advance in the main to the railway lines, frequently preceded for a considerable distance by armored trains, leaving the country between the railways in the power of the Chinese. Since the withdrawal of part of the Japanese forces to the Yangtse valley, the Chinese have succeeded by guerilla tactics in forcing them back on the west and generally restricting their hold to the railway lines and the greater towns.

Yet despite this concentration of their advance along a few lines the Japanese seem on the whole to have avoided direct frontal attacks wherever possible, preferring to turn the Chinese defenses by flanking movements. This they did not only in the plains, but

more remarkably in the fighting for the heavily defended passes, which gave the campaign in the west and northwest its peculiar character, and also in the decisive move before Shanghai. The great care taken by the Japanese to spare their troops unnecessary bloodshed was rewarded by remarkably small losses amounting, according to the most reliable estimate, to not more than some 60,000 wounded and 20,000 dead, as against more than half a million casualties at least for the Chinese. This remarkable discrepancy is a striking testimony to the superiority of the Japanese in both training and equipment Above all their superiority in the air was either never contested (as in the north), or else established within a few weeks (as at Shanghai) Japanese superiority was even more pronounced, if possible, in heavy artillery, the second decisive arm. Tanks also seem to have been employed on a large scale, but their effectiveness is less clear from the scanty reports as yet available.

Against this vast superiority in concentration of effort, training and armament the Chinese could set only their numerical superiority—450,000 as against 275,000 Japanese in the north, and some 700,000 (of whom, however, there were never more than 400,000 at one time), against some 250,000 to 300,000 Japanese around Shanghai At the same time no less than some 750,000 men, out of a total of nearly 2,000,000, remained as garrisons for the principal provincial cities and were not employed in the field. Even so, the degree to which the Chinese Government succeeded in mobilizing the forces of even the most remote provinces and concentrating them at the decisive points must be considered a most remarkable achievement, in view of the totally inadequate transport resources. Kuangsi troops played a notable part in the later stages of the struggle before Shanghai, and, together with Hunanese and Yunnanese, in the defense of Nanking. Szechuan divisions appeared as far away as Shansi, North Honan and Nanking. Yet their numerical superiority and bravery were not enough to offset their almost total lack of adequate equipment. The small Chinese airforce of 450 to 500 planes was practically annihilated in the first few weeks of fighting at Shanghai and can now only gradually be reconstituted, with Soviet assistance. Heavy artillery was almost completely lacking and even the supply of field-guns woefully deficient.

The total number of pieces available at the outbreak of the conflict did not exceed 1,000 for the whole Chinese Army. Trench mortars proved an inadequate substitute. Thus even of the 16 fully trained divisions of Chiang's own forces, only six could be considered as coming up to modern standards of equipment.[2] The result was enormous losses, and reliance on strategy and tactics that on the whole were strictly defensive. The only successful counter-attacks on a large scale, apparently, were at Hsinchou in Shansi (Oct. 22), when the Chinese, nearly driven from the hilltops, succeeded in throwing back the Japanese and keeping them at bay for another fortnight, and at Kwangteh during the Japanese advance against Wuhu.

The famous Red Army, now the 8th Route Army, more than vindicated its reputation for outstanding bravery in the fighting in Shansi, but seems as yet not to have achieved any decisive results by its famous guerilla tactics.

With the fall of Nanking and the subsequent lull in operations, Japan's war on China has not only reached the end of its first phase but a fundamental turning point in its development. Hitherto the war, on the Japanese side, has been "limited"—politically as well as strategically—in being directed at limited territorial objectives, even in the advance upon Nanking. Many foreign observers have consequently concluded that with the achievement of these objectives by the Japanese and the realization by the Chinese that they are unable to eject them, the Chinese resistance will crumble and a speedy end of the war be brought about.

To judge from such facts as the creation of the imperial headquarters at Tokyo, and other similar evidence, it would seem as if the obstinate refusal of Chiang to sue for peace on Japan's terms even after the fall of his capital, and the remarkable solidarity hitherto shown by the Chinese as a whole, had convinced the Japanese leaders that the war has developed into a life and death struggle politically. Strategically, therefore, it can no longer be brought to a successful end by limited methods. An unlimited effort will be needed to bring about the complete downfall of Chiang and his forces—if possible.

[2] Apart from the Central Army, only the Shansi troops were adequately supplied with artillery.

Yet the prospects are such that it is not difficult to understand why Japan still hesitates to commit itself irrevocably to this apparently unavoidable course. Despite all reverses, Chiang has hitherto succeeded in escaping a decisive defeat and in preserving the bulk of his forces intact, though severely shaken for the moment. He is still able to oppose the Japanese in the open field, and so to impose upon them the effort of a regular campaign. Without this the guerilla tactics so warmly urged, from the beginning, by many of China's sympathizers, would speedily collapse in all probability; but in conjunction with an army in the field they may prove exceedingly successful in increasing the strain on Japan of a protracted campaign. Thus the decision to expand the conflict into a struggle for the complete overthrow of Chiang is likely to involve the Japanese in an unlimited effort, the duration of which it is impossible to foretell, but which may well exhaust Japan economically to such a degree as to make it impotent to resist foreign intervention after all.

Thus from pitched battles the Japanese war on China will in future shift probably more and more to a less spectacular but no less deadly struggle between the political cohesion of China and the economic staying power of Japan. In this field, however, prediction is well-nigh impossible. For one thing, the secret influences so characteristic of Far Eastern politics are already active, behind the scenes, on both sides. This is already clearly evident, but has yet to take its full effect.

London, January 1938

THE SOVIET PRESS AND JAPAN'S WAR ON CHINA

Harriet Moore

The Soviet press has maintained an attitude toward the Far Eastern situation, as if to say, "We told you so. All is working out as we predicted and you had better follow our advice or you'll find yourselves in a nice mess" The approach has been unexcited, giving a more or less cold-blooded appraisal of a situation long foreseen

This analysis of the Far Eastern war[1] can be taken up under several headings the causes of the 1937 outbreak of war in the Far East; the Brussels Conference, the Italo-German-Japanese pact; prospects for the future

Causes of the 1937 Japanese Invasion of China

The Soviet Party press sees the present Japanese war on China as the result of conditions in Japan, in China and in the international scene In June an analysis of the new Konoye Government, appearing in *Bolshevik*, ended with the statement that "disguised by peace-loving declarations of the diplomats, the Japanese are continuing steadily to prepare for a 'big war'" In Soviet opinion the Konoye Government was set up deliberately to try to get a cabinet working completely in the interests of the militarists, but at the same time tolerable to the financial, commercial and industrial interests of Japan "The resignation of the Hayashi Government and the formation of the Konoye cabinet does not mean the introduction of any kind of new phase in the political life of Japan. The change in governments is connected with the further attempt of the Japanese militarists to realize their aggressive policy." Certain superficial concessions were made to the business interests and parliamentarians, but the essence of the Hayashi program remained. Hirota, Baba and Sugiyama were retained as the backbone of the cabinet. Of course, in the opinion of Soviet observers, it is not to be sup-

[1] Based on articles in *Pravda*, *Bolshevik*, and speeches of Government leaders.

posed that there is any basic difference between policies of the militarists and the major business interests in Japan.

> At the session of parliament in August and September the leaders of all the parliamentary parties (not excluding the Social Democrats) not only publicly agreed to the piratical undertakings of the Japanese Government in relation to China, but acted as instigators, arousing the Government to even more positive aggressive actions. This readiness of the representatives of the Japanese bourgeoisie to act as lackeys of the militarists . . . bears witness to the very deep, intimate connection between the interests of the Japanese ruling classes and the policy of military-colonial robbery carried out by the militarists.

The only question at issue between these groups is the price that is to be paid for the conquest of China.

The satisfactory formation of a cabinet in Japan, bringing closer together the military and business interests, was paralleled by developments altering the situation in China. The gradual growth of the anti-Japanese movement, the increasing centralization of power in the hands of the Nanking Government, the successful development of Chinese industry and municipal economy, and the winning of some degree of tariff and financial independence had marked the progress of China during the past year. In the eyes of Soviet observers, "1936 marked the turning point in Japanese-Chinese relations," when the "separate, disjointed little streams of anti-Japanese activity merged gradually into a powerful, united flood" An analysis in *Bolshevik* (August 1) summarized the moving forces as follows:

> Because of the fact that in Inner Mongolia the Japanese could not rely on the local people for loyalty, they have been forced to continue their advances into North China, in order to seize control of all the most important lines of communication. Likewise the recent anti-Japanese risings in Chahar and the rumors of active cooperation between Nanking and the Red Armies of China have forced the Japanese to accelerate their attack On the other hand, the formation in Japan of the Konoye Government, very compliant to the wishes of the militarists and at the same time tolerable to the bourgeoisie, gave the Japanese General Staff the opportunity to try its luck at further conquest of North China.

The article went on to say that, although Japan could not undertake to conquer China as a whole, "it is quite possible that for the purpose of demoralizing the Chinese authorities, the Japanese are planning, following the example of 1932, to undertake a large-scale mili-

tary diversion in the Shanghai region, or even in South China, where they have been busily planting Japanese agents for years."

The third factor making for the July attack is summarized thus:

> The increase of Japanese aggression in the Far East is no doubt directly connected with the general international political situation, particularly with the plans of the fascist aggressors in Europe. In the past years, each act of fascist aggression in Europe has been made easier by the provocative advances of Japanese imperialism in the Far East, and vice versa.

These three factors then: unity under Konoye, the growing anti-Japanese movement in China and the distraction of the other powers in Europe, coincided to make the Japanese militarists undertake the present war on China. That Japan took the southern variant in its new invasion is attributed by all Soviet commentators to the strength of the Soviet Union. Japan chose the line of least resistance.

The Brussels Conference

In the interim between the outbreak of hostilities and the meeting of the Nine-Power Conference in Brussels, the USSR followed its usual policy of pushing for united action in the League of Nations. It also signed a very strongly worded non-aggression pact with China, a pact which it had been trying to negotiate since 1933. In commenting on this pact, an editorial stated:

> The principle of the indivisibility of peace means also that the Soviet Union is actively interested in the preservation of peace in every section of international relations—in the West and in the East, in Europe and in Asia. As a consequence of this, the USSR is paying the closest attention to the Far Eastern crisis which threatens the general peace and it emphasizes its friendly relationship to China by signing a Non-Aggression Pact . . . Similarly, China's assumption of the obligations of non-aggression in relation to the USSR and the obligation to give no aid or support to the aggressors is a real factor for peace.

In this period before the Brussels Conference, the Soviet press otherwise confined itself to reiterated pleas for unity against aggression and to showing up the attempts of the fascist powers to disrupt efforts toward unity. As the weeks passed, the tone of the Soviet press became less optimistic. The experience in regard to Spain, despite the

half-victory of the Nyon agreement; the maneuvers in Central Europe; England's vacillation—all these factors decreased the possibility of unity. Litvinov's speech at the Plenary Session of the League of Nations, September 21, expressed the USSR's disgust with the behavior of the other powers in temporizing with the aggressors. By the time the Brussels Conference was about to open, the Soviet commentators had reached the conclusion that these efforts were almost futile. An article in *Pravda* on October 28 said: "The composition of the Brussels Conference, even in the case of Japan's absence, makes it impossible in advance for the Conference to reach any positive decisions. Its basis for activity under these conditions can result only in empty chatter, under the cover of which the Japanese militarists will continue their criminal war against the Chinese people." The conference, it said, could produce results only if the peaceful nations presented a united front, "but England is far from ready to stop trying to make a bargain with Japan."

In his first speech at Brussels, Litvinov warned, in a sarcastic way, against the pitfalls into which such international conferences may fall:

> When it is a question of an aggressive assault by one nation against another, given a measure of success in such assault, there is nothing so easy for the international organization, in order to achieve success, as to say to the aggressor: "Keep the booty you have seized by violence and peace be with you," and to the victim of aggression· "Love your aggressor and do not resist evil." However, this can be an outward success for the conference, but not a triumph of peace, not a triumph of peace-loving countries. Such successes can merely give rise to further cases of aggression and create a need for new conferences, and so on ad infinitum

Anti-Communist Pact

Three days after the opening of the Brussels Conference, Soviet commentators were distracted from it by the signing of the Italo-German-Japanese Anti-Communist Pact. Since early September, the Soviet press had been discussing the preparations for an Italo-Japanese military pact. It had pointed out the lack of economic interests in common between these nations and their mutual disrespect for each other's military prowess, with the consequence that the sole remaining ground for agreement was the desire for diplo-

matic and military co-operation in aggression. In an article in *Pravda*, October 17, it was pointed out that:

> The establishment of the Rome-Berlin axis did not settle the differences between Italy and Germany in the Balkans But at the same time, as a result of the creation of the Rome Berlin axis, intervention in Spain became more extensive Is it not a fact that, through Germany's support, Italy strengthened its position in the Mediterranean? Is it not a fact that because of Italy's support, Germany strengthened its position in the Balkans and Southeast Europe?

After the pact was published, the Soviet press continued the same line of comment "It is a secret to no one that the reference to the Komintern [in the pact] is only a fig leaf, covering the real content of the Italo-German-Japanese agreement. It is already clear to all that this is a question of the formation of a bloc of aggressors, intending to effect a new redivision of the world" An article in *Bolshevik* summarized the pact as a program of action calling for war to redivide Asia and Africa and redraw the map of Europe. Although the pact is, of course, aimed to some extent against the USSR, it is considered to be directed primarily against England, France and the United States The pact is taken not as a sign of the strength of the aggressors, but as a result of the mistaken policy of the other powers The article goes on to point out that the triple agreement provides for diplomatic co-operation as much as military. For instance, in the case of the Brussels Conference, Japan remained outside to make it difficult to take action on the basis of the Nine-Power Treaty Italy took part in it to try to disrupt it from within, and Germany stood on the side to play the part of beneficent intermediary In concluding its analysis, the article said: "The full significance of the triple agreement as an instrument of war can be understood only if it is recognized that the three parties to it are already engaged in cruel, bloody, piratical war in southwestern Europe and in the Far East"

Prospects

The comment on the triple fascist pact revealed some hope that the other powers might be aroused to action by it, since the press in the other countries likewise seemed to understand clearly enough

that the pact was directed as much against them as against the USSR, if not more so. At the same time the Soviet press tends to stress more and more its need to rely on its own defenses and to treat its participation in international parleys as futile gestures made in deference to the principle of collective security.

As regards the Far Eastern war, Soviet opinion considers it a fight to the death, with time on the side of China. In August, *Bolshevik* wrote:

> The latest pronouncements of Chiang K'ai-shek show that the Nanking Government realizes that the Chinese people do not wish again to bow their heads before the Japanese conquerors. If, following the example of previous years, the Chinese central authorities were again to conclude an enslaving agreement with Japan, this would not simply be a blow at the recently growing popularity of Chiang K'ai-shek; it would bring into question the very existence of the Nanking Government as the united center of China.

In October it went further:

> No compromise by the Chinese ruling clique, no retreat of Japanese imperialism, can remove or lessen the danger of the complete enslavement of China by the interventionists Only a powerful rebuff, only war to the death without despicable compromises and agreements, can and must save the great Chinese people

On the other hand, commentators see Japan in a difficult position. It had counted on a short, quick stroke to win the war and now it is faced with a large-scale war and a rising national-liberation movement in China. Despite the fact that the Konoye Government seems to have unified the ruling groups in Japan and that all criticism is illegal, the Soviet commentators feel that "every day of the war makes the internal situation in Japan more dangerous for the ruling group."

As regards the other powers, the Soviet press takes a rather bitter tone It considers them directly responsible for the present wars in Spain and China:

> No matter how unpleasant it may sound to the leaders of the "great democracies," their security—the security of England and France, the security of the United States—is being defended by the heroic Spanish people on the Pyrenean peninsula and by the soldiers of the Chinese army in North China and in Shanghai.

The Soviet comment is particularly bitter about England. In analyzing the position of Great Britain in the Far East, it pictures an impasse, because England does not want Japan to hurt its imperialist interests in China, yet is afraid of the national-liberation movement in China; it would like to have Japan weakened by a war with China, but this would mean the relative strengthening of the USSR in the Far East In regard to England's position vis à vis the Anti-Communist Pact, *Pravda* on November 18 said:

Why, then, do Government circles in Great Britain try to avoid the question of the dangerous results for general peace and particularly for Great Britain inherent in the establishment of the new bloc? For two reasons first, because the formation of the new bloc puts very clearly before public opinion the question of the two camps—the camp of the aggressive Powers and the camp of the peace-loving Powers—and also the question of Great Britain itself The British Government does not wish to call things by their names, because it does not wish to draw the inevitable conclusions. *The Economist* writes perfectly clearly on this point that "The new alliance is also a result of the British policy of non-opposition to the aggressor But the signal from Rome should arouse London, Paris and Washington to realize that the time for a change has come" Secondly, the British Government is trying to feel out the possibilities of agreement with separate members of the bloc, intending in that way, perhaps, to succeed in removing the anti-British orientation of the bloc. With this aim Lord Halifax is about to go to Berlin and possibly to Rome.

The United States is a little less subject to criticism by Soviet commentators, possibly because its position is less clear. Soviet writers were gratified that the United States did not invoke the neutrality law. For while they fully appreciate why it was not invoked, they imply that perhaps this might foreshadow a step toward American participation in collective security, which "would answer the real interests of the American people and the struggle for universal peace" In this connection, it should be pointed out that Soviet observers consider that an embargo on Japan by the United States and Great Britain could put a stop to the war in the Far East, and it is along these lines that they would like to see collective action taken.

However, they are far from optimistic as to the possibility of

united action by governments. The USSR is relying on itself for protection. Commissar of Defense Voroshilov said in a recent speech:

> If we enjoy the benefits of peace, it is only because we have an excellent armed force and a fine socialist economy. Let us exert all efforts so that our further development may be strong and mighty, so that our numerous enemies may think well and long before they decide to attack our fatherland, and so that if they attack, they will quickly regret it.

As to the rest of the world, the Soviet Union is "taking part in all international conferences and parleys, convened with the object of achieving the best possible organization of peace and collective security." But, Litvinov goes on to say:

> Unfortunately, not all states, and not even all leading states, evince such sincerity, such consistency and such readiness to put into effect the self-evident and at times even the drawn-up measures for the organization of peace, as does the Soviet Government. All of these states appear to recognize the presence of a formidable danger to peace and to their own interests from the new fascist and aggressive states; they accept in principle the idea of collective security upon which the League of Nations is based, but do not go further than talking and making declarations, though neither words nor declarations can make an impression on the aggressors.

If the other peaceful nations cannot bring themselves to take an active part in the defense of peace, the Soviet commentators can do no more than point out to them that "as a result of the first imperialist war, the bourgeoisie got the breakdown of capitalism in Russia, the victory of the proletarian revolution in Russia and the creation of the USSR. Where is the guarantee that a second imperialist war, started by the aggressors, will give the bourgeoisie 'better' results than the first?" They see for these nations the alternative of a strong League of Nations, ready to give "a collective rebuff to aggression" and "collective defense of peace, which is necessary to all of us and the benefits of which we shall all enjoy."

New York, January 1938

AGRARIAN TENDENCIES IN THE PHILIPPINES

JAMES S. ALLEN

THE most pressing internal problems of the Philippines arise from the dislocation of its agrarian system. The incessant agrarian conflicts, which periodically attain the proportion of local insurrections, are indicative of a fundamental crisis. Three important peasant uprisings have taken place during the last 10 years: the Colorums in 1927, the "rebellion" at Tayug in 1931, the Sakdalistas in 1935. These sporadic eruptions and, even more, the widespread peasant restlessness are symptoms of a chronically unhealthy agrarian system.

The peasant distress of the Islands is more than purely an internal problem It legitimately falls within the scope of the U. S.-Philippines trade commission, which is now studying the economic relations between the two countries with the purpose of recommending adjustments in trade relative to independence Since 80 per cent of Philippine exports go to a protected American market, the flow of trade has the most direct bearing on the agrarian problem of the Islands Furthermore, the agrarian problem is necessarily the first concern of the Commonwealth Government and the methods it chooses to meet this problem will largely determine the political complexion of Government policy and the extent of popular support accorded it These factors are certainly important in determining the position of the Philippines in relation to the dominant forces at conflict in the Pacific area

If the situation be judged purely on the basis of the Philippines' ascending curve of exports during the last two decades, agriculture would not seem to be so badly off. Even at the depth of the economic crisis this curve did not dip nearly as drastically as the exports of most countries, and the recovery was more rapid. But if Philippine agriculture was able to retain its market this was due, above all, to the fact that its crops, particularly sugar, were duty-free in the United States. The maintenance of the high level of agricultural production, made possible by the favored market, undoubtedly cush-

ioned the effects of the world-wide crisis. However, with respect to long-range tendencies within Philippine economy, the effects of free trade proved far from beneficial, for the gearing up of the outmoded agrarian economy of the country to the needs of a highly developed foreign market led to a fundamental dislocation of the system.

The burden of providing large quantities of sugar, copra and abaca for export, and the increased demand on the rice areas to supply the sections engaged in producing export crops, are proving too great for an agrarian system adapted over a number of centuries to domestic needs. Production for the world market and its concomitant internal developments have proceeded, generally speaking, within the framework of the old land relationships and by means of the old tenant and labor modes. Every increase in production has led to the extension of these ancient forms, which, at the same time, lost their paternalistic features. The Filipino peasant has been deprived of the relative security of a self-sufficing domestic system; he is now propelled by forces over which he has no control towards the breaking of the old system. This is the basic reason for the conflicts which are taking place with increasing frequency in the countryside.

It is within this general framework that one must seek to understand present agrarian developments. Unfortunately, no substantial statistics of a cumulative kind are available on land ownership, tenancy, farm labor and the utilization of machinery. Without these data it is impossible, with any degree of scientific accuracy, to arrive at definitive conclusions regarding the present status of the agrarian economy Yet it is important to make an attempt in this direction, even on the basis of isolated and local data.

I feel fortunate in having been able to consult the report of the Fact Finding Survey, which was created by President Manuel L. Quezon in 1935 to determine the nature, extent and cause of agrarian troubles. Under the supervision of the Department of Labor, the Survey covered 18 of the most important agricultural provinces and paid special attention to conditions on 4 of the largest estates owned by domestic orders. The report, which has thus far remained unpublished, is the most thorough recent survey of agrarian conditions. Although its data are of the impressionistic rather than scientific type, the descriptive material in the reports by numerous investiga-

tors, once properly sifted and compared with independent observations, throws much light on the prevailing situation. With the aid of this material, it is possible to come to some tentative conclusions regarding present tendencies.

Even fragmentary data indicate that the concentration of landownership is proceeding at a rapid pace. If one starts with the assumption that the Philippines census of 1918 was correct in reporting that landowners constituted 80 per cent of all agricultural producers, it is clear that during the last two decades there has taken place a drastic change in the proportion of landowners to tenants.

In the first place, it is worth noting that the Church and the monastic orders, the traditional landlords of the Philippines, still retain large agricultural holdings as a vestige of the pre-American period. They have added to the lands remaining in their possession after the purchase of 158,677 hectares of the friar domain by the Taft Commission in 1903. The present Church estates still provide the ground for one of the most persistent and ever-recurring conflicts in Philippine agriculture. The Sakdal uprising of 1935 started on one of these estates; and it is well to recall that the immediate incident from which the revolution against Spain is usually traced is the quarrel which broke out between the family of José Rizal, father of the revolution, and the Dominican friars on the Calamba *hacienda*. A portion of this land is still held by the friars.

How ancient Spanish feudal forms have persisted to the present day is shown by the history of four big haciendas, the friar ownership of which is still contested by their tenant farmers. The gigantic Buenavista Estate of 27,408 hectares, owned by the San Juan de Dios Hospital of Manila, dates back to the reign of Queen Isabella of Spain, who granted the land to the friars for pasture purposes. In 1682 the friars obtained possessory title, which was confirmed by a Philippine court in 1917. Likewise, the Collegio de San José, a Jesuit brotherhood, obtained the 2,286-hectare San Pedro Tunasan hacienda by royal decree in 1748 and title was confirmed by the courts in 1905, over the protest of the tenants. The history of the Dinalupihan estate of 4,125 hectares, owned by the Monte de Piedad Savings Bank (controlled by the Archbishop of Manila), is typical of the manner in which the Church obtained many of its holdings. The lands were

originally settled by Christian Filipinos who drove off the primitive Negritos, extended the forest clearings and cultivated the soil. Tributes which they paid to local priests from generation to generation came to be taken as recognition of Church ownership of the land which the peasants tilled. Finally, in 1894 the Roman Catholic Church obtained a grant from the Spanish Government, and in 1914 the courts upheld the Archbishop's title. In the case of the 7,799-hectare Lian estate, the Collegio de San José claims to have received title by will of the deceased owner, but at a hearing in 1932 the Collegio could present neither title of ownership nor the will of the donor. Nevertheless, the court recognized their ownership, although it was contested by the peasants on the estate. The present extent of the landholdings of the Church and the friar orders is not a matter of public record, at least the information is not available to the ordinary mortal However, it is known that, besides the four estates mentioned, the Church lands include at least a dozen haciendas and that in most cases they are centers of agrarian conflict.

WITH the growth of commercial production the base of large-scale landownership has shifted from the Church and the friars to private corporations and *hacienderos*. This change was caused principally by the meteoric rise of sugar production after the World War. The "sugar baron" is now the largest landowner in the Philippines. The Negros provinces in the South, where large-scale sugar production was established almost from the beginning around the modern sugar "central," represent the highest level of agriculture in the Islands. Here, large plantations, utilizing machinery to some extent and employing wage labor almost exclusively, predominate. In the older sugar areas of Luzon, the ancient *muscovado* method, adapted to both tenant and small landownership production, prevailed until the twenties when the modern central, gathering around itself large land units, became dominant. Today 36 per cent of the sugar is turned out by the centrals on Luzon and 50 per cent in Negros. The establishment of centrals on Luzon has been accompanied by the concentration of landownership and the emergence of large landed proprietors closely associated with the central.

This conclusion is corroborated by the findings of an investigator

of the Department of Labor who reported (June 1936) on land relationships in three nearby towns of Tarlac, an important sugar province of Luzon. The estate dominating this area is the Hacienda Luisita, comprising 24,000 hectares, mostly sugar lands. The Luisita is owned by the Tabacalera Company, the great Spanish tobacco and industrial monopoly of the Philippines (which also has large agricultural holdings in other parts of the Islands) Tabacalera owns the Tarlac Sugar Central which serves the sugar lands owned by itself and others in the province In the same vicinity there is another large hacienda covering 5,130 hectares Certainly, here at least, there would hardly seem to be room for small landownership on any important scale What there may remain of it is rapidly passing into the hands of large planters In the town of Victoria, for example, the Department of Labor investigator found that one planter who held directly in his own name 800 hectares, was paying land taxes for an additional 3,000 hectares of sugar and rice lands which their owners were about to forfeit because of inability to meet loans and advances.

Even in the ancient rice-producing areas of Luzon, "the granary of the Philippines," there is evidently taking place a very rapid concentration of land Nueva Ecija has usually been considered a sample province of small landownership The value of its rice crop in 1934 was P 17,498,800, while the value of the sugar-cane crop, the second largest product, was P. 715,510 Yet, even in this province, producing mainly for internal consumption, the growth of large-scale landholdings is unmistakable An investigator of the Fact Finding Survey reported that half of the cultivated land was owned by 10 per cent of the landowners Fifteen planters own estates of over 1,000 hectares each; there are 50 haciendas of from 500 to 999 hectares; and approximately 2,000 holdings of from 24 to 99 hectares. In this area the usual unit of a peasant family is from two to four hectares.

There are other indications that on Luzon, the principal island of the Archipelago, small landownership is rapidly giving place to large landholdings. Many small producers are unable to meet the burden of fixed charges, of which taxes are a leading item. In the province of Cavite, for example, in 1936 alone 9,156 parcels of land, assessed at P. 2,781,106, were confiscated by the Government for tax delinquency. In the same year in Rizal province the Government confis-

cated 1,227 parcels of land valued at P. 969,375, and threatened to confiscate another 2,000 holdings if delinquent owners did not pay their taxes. The farms confiscated in Cavite are part of the friar lands originally purchased by the Taft Commission and later sold in small parcels.

Estates also accumulate land by a process known as "land-grabbing," which is quite different from the completely legal method of taking over lands of small owners who are unable to meet interest and loans. The prospective "land-grabber" usually causes a resurvey of his hacienda. This invariably leads to conflicting land claims, which when taken to court are usually settled in favor of the hacienda A typical case is that of the Hacienda Esperanzo, which has been the scene of recurring conflicts between the authorities and the *interdictos*—ousted landowners who claim that 5,000 hectares of land rightly belonging to them have been added by outright seizure to the hacienda lands. The Department of Labor has innumerable complaints from homesteaders who, after having broken new soil and produced crops, found the land claimed by a nearby estate.

It is to be expected that rapid accumulation of landed property, particularly in the absence of important industrial development, should be accompanied by increased use of agricultural wage labor and by the growth of tenancy. The degree of development of wage labor as well as the rate of development and forms of tenancy depend directly on the nature of the agrarian economy within which these changes take place. In the Philippines these changes are occurring within an agrarian economy which is pre-capitalist in its formation, i e, upon a foundation adapted in the past to a more or less paternalistic, self-sufficing production. A valuable indicator of how such a system, under the impact of production for a world market, begins to develop the characteristics of capitalist agriculture, is the degree of utilization of agricultural machinery and wage labor. Unfortunately, the available statistics of Philippine agriculture do not supply this indicator. However, on the basis of general information, I think it would be correct to assume that only on the sugar plantations of the two Negros provinces have any important developments in the direction of a capitalist organization of agricultural production taken

place. Even here, the form of wage labor carries over with it many characteristics of the prevailing milieu.

In Philippine agriculture as a whole, however, the old production relationships provide the framework within which the concentration of landownership and the equally rapid increase in tenancy are taking place I think the new census (now being prepared), if properly taken and tabulated, will confirm the conclusion, now made only on the basis of fragmentary data and general observation, that since 1918 when the census reported 20 per cent tenancy, there has been a drastic increase in the proportion of tenants. In any case, the important thing is that, generally speaking, the modes of tenancy which prevail are distinctly of a pre-capitalist type, functioning within an agriculture which is straining to meet the demands of the export market, and that the tenant system cannot long withstand this strain.

The *aparceria* system which prevails in the rice regions is in many important respects similar to share-cropping as it exists in the cotton areas of the Old South in the United States. As a general rule the landowner furnishes the seed and cash needed for transplanting and cutting; the crop and the expenses for transplanting and cutting are usually divided equally between the landowner and *aparcero*. Many variations exist A situation approaching share-tenancy, where the aparcero invests greater capital and is therefore a somewhat freer agent, is also to be found. Under this form the tenant supplies his own work animals and all production costs, and is entitled to two thirds of the crop In some areas of Luzon the prevailing mode seems to be that when the tenant supplies his own animals and implements and shares expenses with the landowner, he is entitled to only 50 per cent of the crop; if the landowner supplies the animals and implements, sharing expenses with the tenant, the landowner obtains 75 per cent of the crop The system works for the most part without the embarrassment of any written contract; on the four large haciendas given special study by the Survey, for example, only 12 per cent of the tenants have written contracts.

On the basis of case studies of 1,105 aparceros out of a total of 10,431 tenants on four estates of the monastic orders, comprising a total area of 41,623 hectares, the Fact Finding Survey attempted to establish the net annual income of the tenants. The investigators

found that if two rice crops a year are made on the average holding of two hectares, the net annual income of the tenant should average P. 122. They reported that 48.1 per cent of the tenant families have a net income (including all sources) of from P. 50 to P. 150; 26 per cent from P. 151 to P. 250; and 25.9 per cent over P. 250. The average cost of living of a tenant family on these haciendas was found to be P 253 annually and, consequently, at least 75 per cent of the tenants were in debt. The average debts found by the Survey ranged from P 46 53 on one of the estates to P. 90.83 on the estate of the highest indebtedness. It would seem, however, that actual net income is even far below the figure given above. In its conclusion, the Survey placed the average net income (from agriculture only) of aparceros for the country as a whole at P. 51.39.

The system of tenancy in cocoanut production is necessarily different. On the cocoanut plantations of Negros Oriental the tenant builds a hut at his own expense and acts as watchman and caretaker of the groves. Four times a year he collects the cocoanuts and takes the meat out of the shells. For every 1,000 nuts he makes into copra he is paid one peso, regardless of the market price of the copra. The system provides a high rate of profit to the landlord, since little else goes into the cost of production· usually, 100 kilos of copra are obtained from 1,200-1,500 nuts, and the minimum price for copra is five pesos per hundred kilos. In other sections, where copra is produced in conjunction with other crops, the tenant receives one third of the crop if he does all the work and meets all expenses; if the landlord defrays expenses for gathering the nuts, the tenant usually receives 20 per cent after costs are deducted.

In the sugar areas of Luzon, the centrals are the chief beneficiaries of the aparceria system, sharing from 50 to 60 per cent of the crop. The average holding of the sugar aparcero is about two hectares, which he usually rents from a lessee. In Batangas, the leading sugar province of Luzon, a yield of 50 *piculs* per hectare is considered good. If on his two hectares the aparcero produces 100 piculs of sugar, the central automatically takes, let us say, 50 piculs as its share for milling. The hacienda then takes, from the portion left the lessee and aparcero, seven per cent of the total production for rent. At P. 7 per picul the total income from the sale of the remaining 43 piculs is

P. 301. The production costs amount generally to P. 120 for two hectares, leaving a net income of P. 181, of which the aparcero's share, at least theoretically, is P. 90.50.

An intermediate type of tenant, closely approaching the mode of tenancy found in countries of greater capitalist development, is the *inquilino* or cash tenant. On the haciendas of the friar orders his average holding was found to be 4.1 hectares. The cash rent paid by the inquilino ranged from P. 8.74 to P. 40.71 per hectare, not necessarily according to the productivity or accessibility of the land. How exorbitant the rent is can be seen from the fact that the average yield of unhusked rice (*palay*) per hectare is 40 *cavans*, selling at P. 2 per cavan,* and that the average cost of production per hectare on these estates is P. 60. Greater capital outlay on the part of the inquilino, however, makes possible an increased yield and some diversification of crops. Most of the tenants employing wage labor and subleasing to aparceros would be found in this group. On the four estates in question it was found that 20 per cent of the inquilinos have share-tenants.

The low wages of farm laborers prevailing on the sugar plantations reflect the general backwardness of the agrarian economy. The Philippine Sugar Association claims that the industry is responsible for a higher standard of living in the Islands as a whole and of the laborers on the sugar plantations in particular. Evidently, according to the Fact Finding Survey, conditions in the Negros provinces are far from being as rosy as the Association claims.

In the Bais district of Negros Oriental, the chief sugar center of the province, where many of the plantations are foreign-owned, wages without rations are from 15 to 20 *centavos* a day for women and boys, and from 25 to 40 centavos a day for adult male laborers. With rations, the usual wage is P. 1.50 a week. The investigators reported that three *gantas* of crushed corn and a handful of salt constitute the weekly ration for an adult person. The working day is 11 or 12 hours and there is no pay for overtime or holiday work. In Negros Occidental the wages are slightly higher, averaging for an adult male from 50 to 60 centavos a day. However, it was found to be a common practice for the planter to delay payment of wages, in

* A cavan of palay weighs 44 kilos; 2 cavans make about 57 kilos of rice.

some cases for as long as a year, and sometimes not to pay at all. The plantation *cantinas*, where prices are twice as high as in the local stores and usurious interest is charged, take most of the laborer's cash wages. In the province of Tarlac, Luzon, the wages of the workers on the sugar fields of the Tabacalera was found to be 30 centavos a day. In absolute figures, without taking into account other factors which have a bearing on the question, this rate is not very much higher—and in some instances even lower—than the agricultural wages in Kuangtung which, according to Chen Han-seng (*Landlord and Peasant in China*), range from 0 30 to 0 80 Yuan.

USURY is an integral part of the system of agrarian relations. As in other environments of the same kind, credit functions in a way to assure the landowner and the crop purchaser control over the crops of the tenants and small owners The petty producers usually find it necessary to borrow in cash or in kind, and most often they apply to the large planter. The rate of interest which prevails for these small loans exceeds anything that we have come to know under the name of usury. In Kuangtung, for example, the annual interest for cash loans is generally about 20 per cent, although in many districts it reaches as high as 100 per cent. On a loan in grain the usual interest is about 30 per cent for six months, although in some districts it also reaches 100 per cent.

But in the Philippines, where usury has become highly formalized in at least a dozen types of commonly practiced credit, each one of which bears a specific name, the annual rate of interest sometimes exceeds 400 per cent. *Takipan,* for example, common in central Luzon, exacts two cavans of rice for every cavan borrowed; if not paid at the first harvest, the tenant must repay four cavans at the second harvest. In either case the interest amounts to 400 per cent per annum. The rate is even higher in another form known as *alili*, practiced in the island of Iloilo; under this system, for every cavan of rice advanced during the planting season the borrower must pay back from 2 to 3 cavans in less than six months. Usury assumes an ingenious variety of forms. Under a system prevailing in the Luzon province of Pampanga, the borrower pays P. 6 for every P 5, in installments of 10 centavos, over a period of two months. In

Bohol, an important rice province, *tanto* requires the borrower to pay 5 centavos a week for a year for every peso advanced. Compulsory loans from the landowner to the tenant are common in many sections. In the central Luzon province of Bulacan, this practice is known as *pasunod*, which means something to follow with or send along. The tenant is forced to accept loans in the form of cash or merchandise and even jewelry, which he must repay at harvest.

While usury has been strictly formalized under these and other names, the amount of interest collected by the landowner is largely arbitrary. A tenant's booklet of accounts, on a Luzon hacienda, reveals unlimited usury. In the first place, he is charged 10 centavos for the booklet; for an advance of one peso cash, P. 3.50 is entered on the account; for an advance of one-half cavan of rice, 2 cavans are entered; on another occasion 4 cavans appear when only one-half cavan is actually advanced, and on still another 5 cavans are entered.

Usurious credit of this type maintains the existing landlord-tenant relationships and tends to bolster up the system. It also facilitates the accumulation of land and the expropriation of the peasant. On the southern island of Cebu, for example, the landowner, borrowing under a system known as *sa-up*, mortgages his land to the moneylender and pays as interest a given portion of his crop. A similar type of credit has legal status as *pacto de retro* in all parts of the country. This contract gives the moneylender deed to the land during the period of the loan, and the borrower has the right of repurchase at the end of the term for the sum of the loan; but if he fails to repurchase, the moneylender obtains full title to the land. Both types of credit, as can readily be seen, facilitate the process of land concentration.

Extra services and fines which mark the landlord-tenant relationship are, in many instances, remnants of feudal practices which were introduced by the Spaniards. Obligatory services appear as a legalized practice in the contracts. One agreement which I saw in Nueva Ecija provides, among other things, for compulsory attendance at the Roman Catholic Church and work at fixed times by the tenant and his family, without pay, at such tasks as cutting bamboo for the landlord. It also forbids visitors from outside the hacienda. Fines of from 2 to 4 cavans of rice are imposed for violation of any of

these terms. Where contracts do not exist, as is most often the case, the compulsory services and fines are even more severe. The Survey investigators found that extra duties commonly required from the tenant include domestic service in the home of the planter, the building of roads, bridges, dams and fences, and the planting of fruit trees. For the privilege of fishing in the streams within the hacienda, the tenant must often pay a fixed charge. One investigator reported sample fines on a hacienda in central Luzon as follows: a compulsory gift of one cavan of rice to the landowner on his birthday; for fishing without permission, or for cutting bamboo for personal use, or for gathering fruit from the trees, or if the tenant's animals damage plants, 5 cavans of rice must be paid for each offense.

In regions of greater fertility, the tenant often has to pay the landlord for the privilege of renting land, a practice reminiscent of the bribery extracted in the renting of clan lands in southern China. The fee is variously known as *pamata* and *postura*. In Pangasinan, an area of high rents, entrance fees even for small tenant holdings reach as high as P. 75. In other sections the postura is charged at P 15 per hectare upwards. The amount of the fee is sometimes determined by auction, the privilege of renting the land going to the highest bidder.

As is common in other countries where commercial crops are raised within a semifeudal agrarian formation (including the Old South of the United States), the tenant is generally not permitted to raise foodstuffs for his own sustenance, or the practice is discouraged by extra charges and increasing rent. The tenant is often forced to store his share of the crop in the hacienda *bodega* and use and pay for the means of transportation provided by the landowner, although he has his own carts and animals.

Besides the exploitation inherent in the system itself, there are innumerable abuses which become inevitable in an agrarian organization where the landlord is in effect a *cacique*, the political overlord of his domain. The tenant lives in perpetual fear of eviction for failure to meet the numerous obligations imposed upon him or for membership in a tenant organization; evictions of tenants and small landowners have undoubtedly been the most persistent immediate cause of agrarian conflicts. In many cases eviction is accompanied by the

burning of the tenant's hut and his land is immediately turned over to new cultivators. On the friar-owned San Pedro Tunasan hacienda, where I made personal investigations, the officers of the tenant society informed me that since 1914 half of the 2,000 tenant families on the estate had been evicted and their homes destroyed. During this period, rents had been raised from P. 2 to P 35 per hectare and the tenants were also paying rent for their home-sites, which previously had been rent-free All the improvements made by the tenant on his own holding and on his home-site, including the raising of poultry and fruit trees, are taxed in the form of increased rents.

Other grievances raised by the tenants in numerous petitions and as reported by the Fact Finding Survey reveal the devastating effect of the agrarian system upon the lives of the peasantry. Little or, in many cases, no educational, medical and recreational facilities are provided by the estates and little can be found in the local towns Roads are often built by the tenants without compensation, to facilitate the marketing of their own produce In many cases they must provide their own artesian wells The Survey found that tenants and farm laborers are systematically cheated and short-weighted, that landlords often refuse to settle accounts and deprive the tenants of their share of the crops One might go on at length to enumerate a long list of grievances.

Impelled by economic changes within the agrarian system and aware of a better mode of life, the peasantry has not remained passive "The hue and cry of the peasantry," says the Fact Finding Survey in its summation, "is for a radical change in the present scheme of their relations with the all-powerful moneyed and land-owning class" That the cacique type of political autocracy does not permit the peasantry the freedom to attempt a constructive change is also fully recognized "In all provinces surveyed," reads the committee's conclusion, "it has been found that the average tenant does not enjoy his constitutional and inalienable civil and political rights. He cannot openly join associations nor participate actively in any movement organized for his betterment without courting the displeasure of the landowner and running the risk of being deprived of the piece of land he tills."

That such findings should appear in a report of a Philippine Gov-

ernment commission is heartening and indicates that the administration is fully aware of the fact that the immense agrarian problem demands solution. As has already been said, this problem has great political implications, reaching beyond the Archipelago. A number of steps proposed by the Quezon Administration—such as the abolition of the *cedula* tax, the plan to purchase the tenant home-sites on some large haciendas in order to prevent arbitrary eviction, the plan to purchase some of the estates owned by the monastic orders from the refunded $50,000,000 cocoanut excise tax—are advances, although still tentative, toward a democratic solution. However, the problem in essence remains the unsolved problem of the Philippine revolution at the turn of the century, and more radical steps are necessary than those which at the present time seem to be contemplated. The policy pursued by Cardenas in Mexico, where many of the agrarian problems were of a similar nature, certainly deserves the closest study with a view to its application in the Philippines. In any case, a policy which would develop in the direction of the taking over of the *latifundia*, the distribution of the land and Government credit guarantees against usury and expropriation of the small producer—steps now demanded by various tenant organizations and progressive leaders in the country—would strengthen the fundamental democratic current in Philippine life and assure a basis for the evolution of a more modern economic and social structure.

In the meantime, it is to be hoped that the U. S.-Philippines trade commission will seize the opportunity to alleviate the internal situation by providing that the benefits of preferential trade do not all flow to the large exporters, processors and planters. A precedent has been established in refunding to the Philippine Government the cocoanut excise tax. Similarly, a good portion of whatever taxes are provided in the new trade agreement can be made available for purposes of agrarian reform. Among other things, the bounties paid under the sugar adjustment plan can certainly be directed into a Government fund to be used for the purpose of establishing a minimum wage on the sugar plantations. While such steps can provide only temporary relief, they will go a long way in removing restrictions on the development of democracy in the Philippines.

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THE REVOLUTION IN CHINESE LEGAL THOUGHT

M. H. VAN DER VALK

FOR SOME DECADES, while the revolution in Chinese life has been proclaimed, less attention has been paid to changes in the mentality of the Chinese which underlie visible changes in the mode of life Yet the importance of these changes in thought and feeling is such that, if permanent, they will be regarded as one of the greatest revolutions in the history of Chinese thought. In discussing so drastic a change, it is imperative to state the position of the order from which the departure has been made, as well as the changes established under the new system. For this reason, changes in the philosophy and application of the law in China may well be taken to illustrate the general process of change—legal thought in China having always been closely interwoven with all other forms of thought. The Confucian system may be taken as a starting point, but while tradition has it that Chinese thought has always meant Confucian thought, modern historians, Chinese as well as foreign, have adequately proved that other forces have also molded the Chinese mind The place of these other influences has, however, not yet been very clearly assigned, except for the School of Law, which is better known than other non-Confucian theories, and had a far-reaching influence on the development of Chinese civilization. Because of its radical deviation from the general trend of Chinese thought, the School of Law has attracted much attention in our own time, when another reform of the Chinese social system is taking shape.

The old Chinese conception of the world was essentially static and cosmic. It held that heaven and earth were the prime factors in the universe. By their co-operation life was sustained and all things created. To secure their proper action, the whole universe had to be in harmony. The heavenly, transcendental part of the universe was unknown; the other, the world, was perceptible to the senses. The two stood in a fixed relation to each other and

reacted in a definite way. In order to promote universal harmony through the regular operation of the transcendental and perceptible powers, human beings were obliged to acquire knowledge about heavenly matters by divination and other supernatural means. At the same time, maintenance of the balance of the universe also required a careful regulation of life on earth.

The Chinese mind has therefore always been greatly preoccupied with the material world, considered primarily as the counterbalance of heavenly power. It has therefore had less interest in human personality than in human society. Man, as a part of the world, did not essentially differ from the other components of the cosmos. Human life, as part of the system, had to be harmonized with the life of the universe. The position of the world of man, with the mutual relationships of its component individuals, was consequently the chief subject of speculation. If once human relationships could be ordered correctly, by ethical standards, human society, harmonized within itself, would be in a position to be harmonized with the world of nature. In this way the harmony of earth as the counterpart of heaven would be insured, and the harmony of the universe promoted. It is plain, then, that the correct attitude of man toward his surroundings was an essential part of the harmony of the universe, while his improper action disturbed the operation of the cosmic powers. This was most evident when the Emperor, the head of all mankind, failed in his duties; his guilt would be apparent in nature, where extraordinary occurrences would reveal the disturbance of harmony.

This philosophy was based on a system of correspondences or mutual relationships: between heaven and earth, between human society and human individuals, and between one individual and another. Phenomena were not connected in a time sequence, following a line of causation, but were joined together in a uniform way along parallel lines. Each part of the system was therefore integral and always dependent on and closely connected with every other integral part. The resultant picture of the universe was kaleidoscopic and had no perspective; all things were in the same plane and mutually corresponded. The lines on which the universe was organized did not converge, as in modern science, in the focus

of the human mind, but ran parallel in the same plane, not separated by time and with each part displaying all the essential elements of every other part

Such a system of thought was necessarily casuistic, because of the impossibility of deriving general theories from specific cases when any given part of the system had to contain all the characteristics of all other parts Analogy was the favorite line of argument, the factor of time being easily dispensed with, and the system therefore was inherently static For lack of the idea of time, the category of causation, regarded as the connection of events separated in order of time in such a way that one is necessarily followed by the other, was also superfluous This led to curious consequences in the legal system, one of its corollaries being a disregard for the positive written law A disturbance in a man's life meant a disturbance in the universe, and accordingly his punishment had to satisfy the unwritten laws of the universe, leaving little room for the application of positive law, which came to be regarded as a model of behavior rather than as an absolute standard.

With these principles the Confucian doctrine was quite in accord, its main purpose being the maintenance of the order of the universe, to achieve which the sovereign had to "rectify the names," by acquiring a true knowledge of the universe and defining it clearly. This rectification was the most efficient way to avoid intellectual disorder and anarchy of the universe. Once the proper correspondences between names and social harmony had been established, the character of all things was known to the sovereign, who could then perfect himself and serve as an example to his people The natural order of things would thus be established, human society and its relationships being regulated by means of the rites To this concept the positive law was wholly subservient, becoming merely an instrument to be used against barbarians and criminals who disturbed the order of nature. There is a fundamental difference between this and the Western conception, which is apt to set the law above man and gods and to require obedience to the law even when it is palpably unjust In China however the Roman adage *Fiat justitia, pereat mundus* was not only not fundamental to the law but not even thinkable as such.

Since causation and time were absent in ancient Chinese philosophy, though well known as categories of Western thought, correspondences formed the mainstay and most important category of Chinese thought. Several peculiarities of the Chinese law are unintelligible to the conventional Western thinker without an understanding of these characteristics, and have in fact been the cause of much friction and misunderstanding. The Chinese law has been accused of cruelty on account of them and attempts have been made to derogate its inherent value. It would seem that there is a certain amount of cruelty in any system that does not value human personality, but it should not be forgotten that human nature has an ascendancy over logic, as a result of which the Chinese feeling for equity has always helped justice to prevail over the logical consequences of the legal system.

Of the obvious advantages of the system, one is that there is no contrast between human law and the law of nature, which in the West was the cause of so much heartburning. The question of obedience to a law which was felt to be unjust, so troubling to the Western conscience, never presented itself to the Chinese mind; nor did the question of obedience to a ruler to whom allegiance has been sworn but who transgresses his powers. There was no sharp distinction between morals and the law, as there was in the West, where morals are pertinent to the inner life, while the law regulates actions which manifest themselves in external life. The Calvinists of the Netherlands, in the sixteenth century, who considered the Bible their highest moral code, found their consciences confronted with the very difficult text of Romans XIII when rebelling against Spain:

> Let every soul be subject unto the higher powers. For there is no power but of God; the powers that be are ordained of God. Whosoever therefore resisteth the power, resisteth the ordinance of God. and they that resist shall receive to themselves damnation. . . . Wherefore ye must needs be subject, not only for wrath, but also for conscience' sake

In the school of Chinese thought, a kindred problem was never presented and in fact could not have arisen.

Neither could the American Declaration of Independence have originated in a Chinese mind. Only after all efforts to obtain redress for the injuries to the American colonies perpetrated by George III had failed, did the founders of the United States feel justified in abjuring the English Crown:

> Our repeated petitions have been answered by repeated injury. A Prince, whose character is thus marked by every act which may define a tyrant, is unfit to be the ruler of a free people. Nor have we been wanting in attentions to our British brethren We have warned them from time to time of attempts by their legislature to extend an unwarrantable jurisdiction over us . We have appealed to their native justice and magnanimity, and we have conjured them by the ties of our common kindred to disavow these usurpations . .

Sorely grieved, these men were yet urged by conscience to defend the revolution before the opinion of mankind. In China, such a declaration would have been superfluous. A wicked prince disturbs the harmony of the universe and a reaction in nature in the form of droughts and floods and in human society in the form of rebellion is to be expected as surely as the night follows the day, and needs no defense

A FEATURE of the Chinese system which has been frequently attacked abroad is that every infringement of the natural order of things is considered a disturbance of the harmony of the universe, and as such subject to punishment. Because punishment of the crime was of more importance than identification of the evil-doer, personal responsibility was not a preliminary requirement for the punishment of a human being. In many cases responsibility was put upon individuals because they had been concerned with an occurrence without having been a cause of it. Their responsibility originated from the passive condition of relationship, which defined the nature of the action. Consequently, punishment could be decreed against persons with whose misconduct the death (for instance) of another person was only remotely connected. The offender whose responsibility was established need not even have contemplated the victim's death.

Following this trend of thought, it was logical to hold lunatics responsible for their acts, even though commutation of the ordinary punishment was allowed under the rules of equity. The principle of responsibility was nevertheless upheld, for so far as the judgment of guilt was concerned, lunacy was no defense. Even the extenuating circumstance of lunacy, as it might be called, was of no avail in cases where relationship was of greater importance. As in actual practice this usually meant family relationship, the lunatic who deliberately killed his parents was executed forthwith, and even posthumously executed if he had died in the interval The tendency to restore the cosmic order rather than to punish the offender was also manifest in such cases as the following: if four persons of a family were murdered and the ancestral succession thereby cut off, not only the murderer himself was condemned to death, but his male children, irrespective of age, were also to be executed, provided that the number did not exceed that of those murdered.

There is also an expression of the all-pervading thought of harmony in the provision that constables be held responsible for the detention and arrest of criminals. They were obliged to produce the offender within a given period after the magistrate had issued a warrant. It was enough if, of several offenders, the most guilty were apprehended; but if they did not succeed in arresting responsible persons, they had ever and again to put pressure on the offenders, or even to force innocent persons to confess to an offense. It was also entirely logical, within the rules of the system, that if such practices were discovered in the course of the trial, the constable was to be heavily punished. The importance of relationships, which so dominated the legal system, even undermined the idea of laws applicable to all without distinction, which is the essence of Western law. Thus the provisions of the old Chinese law began with the word *fan*, which meant that a general rule was being stated for cases in which no special relationship applied; for in principle the nature of an action was not defined by the law but by the relation in which one person stood to another. This consideration of relationship could be either a mitigating or an aggravating influence. It was mitigating whenever the rigor of the

law was softened to meet the requirements of justice; that is, the harmony of the universe It could, for instance, save from punishment an offender who was the sole representative of the family and successor to the ancestral cult, because the continuation of the family was more important than punishment of the offender.

It was an aggravating circumstance when, within a family, the offender was of a junior generation If the death of a senior relation could be traced to the misconduct of a junior, the junior was punished however little he might have contributed to the death. The nature of the misconduct and the proximity of the cause were of weight in considering the sentence, as was also passive knowledge of the connection between the misconduct and the death. But they were not, as in Western law, essential to establish the guilt of the offender his responsibility was fixed by the single fact of relation to his senior's death A corollary of the system of correspondences was the disregard of causation in a modern sense. Thus a man was once held capitally responsible for interfering with a lunatic who was attempting, he thought, to ravish his sister-in-law. Running out into the snow to escape the beating, the lunatic left his clothes in the hands of the accused, for which reason he froze to death and the accused was judged guilty.

There was one interval, in the period of the Warring States (fifth to third century B C), when another school of thought, well known as the School of Law, which displayed several characteristics familiar to students of Western law, threatened to destroy the classical Chinese conception of the world The Chou Dynasty had been declining since the eighth century B C, through the encroachment of feudal lords on the central imperial power. Seeking to legitimize their increased power, which they felt to be based on force alone, the feudal lords fought relentlessly against the traditional view of the world and of government and against those of the noble classes who supported the old system They asserted the validity of human laws against the tradition of a law of nature. The law which they created became accordingly one of the instruments by which was established, in the third century B.C., a new form of empire at once feudal and centralized. This was under the Ch'in Dynasty of 255-206 B.C. It conceived the State as all-powerful, with

weak subjects severely regulated by a system of rewards and punishments. The law, according to the new school of thought, ought to be explicit and everywhere proclaimed, in order that people might know what punishment and rewards to expect. Only thus could it operate smoothly without the constant interference of the ruler.

The ideas of the School of Law, being directed toward the achievement of a distinct purpose, were incompatible with Confucianism but not with everything that the Chinese mind had produced. Their background was Taoistic, which largely explains the anti-cultural tendencies developed by the School of Law in the struggle against the cultural achievements of Confucianism. The ideal aimed at was that the law could make itself superfluous. Utilitarian in principle and without the depth of Confucian thought, the new school was unable to elaborate a new world conception and was accordingly forced to borrow from the philosophy of its Confucian opponents. It may be that this lack of consistency contributed to the ultimate defeat of the Legalists.

In order to prevent Ministers of State from diverting to their own ends the benefits accruing from the application of the law, the sovereign was forced to use secret political methods. This was inconsistent with the original conceptions of the Legalists, in as much as it preserved the Confucian idea of the personal influence of the sovereign. The sovereign could in fact take advantage of circumstances to gain his own ends, which again was inconsistent with the idea of a State organized under man-made law for a conscious purpose. Personal influence, theoretically, should have been unable to deflect the rationally conceived law.

The blending of the new idea with the old Confucianism as a result of such compromises produced surprising results. In order to be able to take advantage of circumstances, the sovereign had to be able to distinguish between rights and duties, according to laws already laid down by the ancient kings. From this there evolved the new concept of a law not purely utilitarian and not limited to use as an instrument of State policy, but ranking as a fundamental principle of the universe. Although subject to change as the times altered, the law could not arbitrarily be changed. Legal values were permanent and not subject to personal opinion. By establishing the

principle that the law had to prevail over persons, even the prince, however wise he might be, was made subject to the law. It must be remembered that the Legalists replaced the static system of Confucianism by its own dynamic principles, which might have involved other categories of thought. Taoism, which was their background, did not however have any radical departures from Confucianism in this respect and possibly the changes have not been very important Since the legal codes of the period have been lost, it is difficult to estimate the degree of change accomplished; but it seems that changes in the categories of thought must have been confined within very narrow limits, though it can also be inferred that relationship was of less importance than it had been under the Confucian school Because they wanted to abolish the power of the feudal lords and to make all men primarily servants of the State, the Legalists had necessarily to break the ties which bound a man to his family, and consequently to take away the importance attached to relationship

Yet in the long run Confucianism, having been allowed to linger under compromises, overcame the bias imparted by the School of Law and the development of Chinese history returned to its main course The Taoist cast of thinking which formed the background of the Legalists valued human personality even less than Confucianism The Han Dynasty (206 B.C.-221 A.D.) copied in principle the law code of its predecessor, the Ch'in Dynasty; but efforts to eliminate what the Legalists had accomplished under the Ch'in Dynasty soon began to re-establish the older concepts. The code of the T'ang Dynasty of 618-907, of the oldest of which the full text has been preserved, bears an essentially Confucianist imprint; the Legalists, having accomplished their mission of changing the form of the State, were already remembered only as the perpetrators of an aberration.

CONTACT with the Western powers, whose influence reached China from overseas in the nineteenth century, made a revision of the legal system imperative. The revolutionary founders of modern Nationalist China, especially, felt that the new China must be rebuilt on lines fundamentally different from those of the past. Several

drafts of modern codes were made in the last years of the empire, but the New Criminal Code of 1912—the first year of the Republic—accomplished the first actual departure from the traditional system Under Article 10 of the Provisional Criminal Code, stating that "no act constitutes an offense unless specified by law," the death of the traditional idea of government by rites instead of by law was proclaimed. Henceforth the transgressor against the law was to be punished, while the disturber of the natural order, acting contrary to the rites, was to escape scot-free. Only such rites as formed part of the law of the country were to be maintained by punishments.

This great revolution did not pass unnoticed. In 1915 the High Court of Mukden applied to the Supreme Court stating that a letter couched in almost abusive terms had been addressed to an official exercising his functions, and asked whether this were a punishable offense under Article 155 of the Criminal Code, threatening punishment for insulting an officer in the exercise of his functions, or openly making an insulting attack on his functions. The judges in Mukden realized that the insulting letter did not come within the provisions of the article which they cited, but it evidently went against the grain to leave unpunished an act which was a serious offense under the traditional system. The Supreme Court, however, upheld the law, ruling in favor of the author of the letter.

The Kuangtung Court, a year before, had raised a question deriving from the same tendency to bring within the scope of the law acts reprehensible merely from a moral point of view. It wanted to know whether the sale, transport and storing of gambling utensils constituted an offense, as gambling was an objectionable practice about which the Criminal Code contained several articles. In this case the Supreme Court had already established the precedent of interpreting the law strictly and therefore answered in the negative; and it may in fact be said that the Supreme Court of China has never faltered in recognizing the fundamental rule of government by law. Since, moreover, the law now specifies offenses independent of the circumstances of the universe, relationship has lost its old importance and no longer either defines the character of an act or acts as the natural corrective of the rigor of the law. The word *fan*, given as

a general definition of offenses, under the assumption that it would be modified in specific instances by the relationship to each other of the individuals involved, has disappeared from the legal texts.

In order to uphold justice, the law now specifies cases in which it cannot be applied. An act committed by an insane person does not constitute an offense; neither does an act in the defense of property or person against an imminent unlawful attack, nor an act done out of necessity to avoid an imminent danger.[1] All such cases would have been punishable under the old code and the penalty could only have been mitigated by the particular circumstances of the case or the relationship of the individuals involved. A circular of the Ministry of Justice dated as early as July 1912 upheld the radically new concepts by impressing on the law courts that a lunatic is not liable to punishment, because he has no responsibility. The implication that a human being can be punished only when he is guilty, and that in order to be guilty he must be conscious of committing an act, closely touches the question of the value of human personality. The idea of causation, the necessary connection of two facts following each other, has consequently acquired an importance it never had before.

Personal responsibility, with its corollaries, causation and guilt, and rule by law instead of by rites, involving the abolition of the influence of relationship, denoted a revolution in Chinese ways of thinking. Far-reaching though its consequences have been, this revolution is unfinished. The Criminal Code of 1912 established the principle of government by law; but at the same time it wavered and made concessions. It provided, for instance, that injury to a senior should involve a much heavier penalty than injury to an ordinary person. Instigation of suicide was also considered much more serious if the person instigated were a senior. It is true that provisions for crimes committed in aggravating circumstances are also known in Western legislation. It might be argued that these provisions do not necessarily indicate the persisting influence of relationship, so long as they are embodied in the law and kept strictly within its limits. Other features and further developments

[1] See Articles 12, 15, 16 of the Provisional Criminal Code

suggest however that more importance should be attached to these provisions than to corresponding articles in a Western code.

The reforms under the new code and its equal applicability to all, without reference to relationship and irrespective of persons, were a horror to many conservative spirits. By the end of 1914 they were powerful enough to have promulgated a number of alterations, reminiscent of the old ideas, under the Provisional Code Amendment Act. It does not, for instance, allow the victim of an attack to defend either person or property (his own or another's) against a senior; unless it be an attack out of cruelty by his stepmother, or (should he be the son of a concubine) by his father's wife; or an attack incompatible with the continuance of the tie of relationship; or an attack, out of cruelty, by a senior on the husband's side. The effect of such amendments was to re-establish the dominating position of the older generation under the old law, especially when re-inforced by the provision that the punishment of a senior for an offense against a junior might be remitted on account of the circumstances of the case, provided that only slight injury had been inflicted. The Nationalist Party during its rule in Canton from 1922 to 1924 abolished this amending act because of its encroachments on the new system; and subsequent revisions of the code itself have maintained the tendency to cut such ties with the past as still remain

Even in the New Code of 1935, however, the principle of causation has not been established consistently throughout, though the remaining inconsistencies are now few. It is for example provided that should the victim of certain specified immoral offenses commit suicide, or inflict serious injury on himself in the attempt, the original offender shall be held criminally responsible for the ultimate consequences. This recalls kindred wording in the ancient law, designed to provide a culprit in case of suicide, making it possible for a person only distantly connected with the actual fact to suffer capital punishment. Legislation, however, by gradually decreasing the degree of punishment under such provisions, is tending to eliminate these discrepancies Those which remain are of minor importance; they do not impair the system as a whole, and it may be that they make the period of transition easier.

Of great importance, however, is the fact that one chapter in the present Criminal Code shows a spirit essentially inimical to the new order. It has undergone no changes in principle since 1912 and seems destined to be a permanent feature of Chinese criminal law. Its present title is "Discretionary Punishment and Its Increase and Reduction" (Book I, chap. 7), and its existence is explained as follows in the several drafts for a revision of the Provisional Code:

> In the ancient times punishments were not defined by the law and the law officers could punish arbitrarily. It needs no further argument that this system was harmful to society. Consequently all nations nowadays have their punishments defined by law in order to prevent malpractices It is allowed to punish an offender who has a bad character with the legal penalties But an offender who is not a bad character is punished with a legal penalty however much the circumstances differ, this is too cruel and therefore the punishment can be reduced. According to Article 54 of the Provisional Criminal Code [Article 59, Code of 1935] a law officer may excuse the circumstances of any crime and reduce the penalty *ex officio* . . . the circumstances of cases are not always the same and if the law is uniformly maintained the sphere of the law is too narrow

The law here disqualifies itself from distinguishing adequately between right and wrong; it admits its own severity and itself abolishes its own principle of applicability to all, in all circumstances It allows a loophole for escape from its own effects, as if not trusting itself. The chapter is suicidal and threatens to undermine the whole new legal system by re-admitting the old principle of judging each case according to rules of equity derived from respect for the harmony of nature, to the disregard of fixed standards Decisions made in the early years of the Republic show in practice how the old processes of thought still tend to operate In 1916 a man surrendered to the police after killing his wife and her lover, who had caused his own mother to commit suicide. As the act could not be said to have been done in legitimate self-defense, the accused was culpable; but the Supreme Court ruled that in view of his motive (filial piety), a reduction of the punishment was justified.

The Code actually restores the old system of recognized reduc-

tion of punishment in various circumstances, over and above the legal latitude allowed to a judge in mitigating punishment at his discretion. A Supreme Court interpretation of 1915 illustrates this tendency. A man, intending to beat his wife, had accidentally hit his four-year-old daughter, who later died. The court of first instance, following the old casuistic trend of thought, acquitted the father as having had no intention to kill the child, arguing that the law did not provide for accidental homicide in such circumstances. The Supreme Court, while it could hardly accept this argument, construed the law to mean that the father could be punished under the provisions relative to injury with subsequent death, but allowed a reduced punishment. This decision also breathes the spirit of former ages, when offenses of a senior against a junior were lightly punished, on account of the understanding that this relationship required the junior to suffer much from the senior.

It seems then that the legislation which has done so much revolutionary work is capable at the same time of fostering the classical spirit which if left to develop might create a strong dualism. Whence this inconsistency; and are we to suppose that the contemporary revolution will ultimately be defeated like that of the School of Law some two thousand years ago? There are points in common between the two revolutions; the School of Law, like the Nationalist Party, was utilitarian in outlook. Each movement, in its own day, strove to establish a modern state and to control the life of the nation by measures deliberately chosen. Both desired the law to be definite, public and equally applicable to all.

Here, however, the similarity ends. The present law is not bent on removing all class distinctions; it does not consciously separate law and ethics, and its background is not Taoistic. It took its models from the West, whose legal tradition is different in kind from that of Taoistic China and recognizes radically different categories of thought. The changes wrought by the importation of these alien categories of thought are infinitely more important than those accomplished by the Legalists, who were bound within the limits of the traditional Chinese philosophic systems. It seems preposterous therefore to prophesy the doom of the new legal thinking by analogy with the fate of the School of Law.

If the new trend is threatened by forces that survive from the old China it is because it did not grow from Chinese roots. It was adopted as a matter of expediency; and here it should be remembered that the world conception of the West as a whole was not welcomed so readily as the legal system which bears its marks. Conscious of the value of its own civilization, modern China is not willing to reject it in favor of an imported one, as is witnessed by the renewed interest in Confucianism, the revival of classical studies and the preaching, by the leaders of the New Life Movement, of the virtues of ancient China. Only time can show therefore whether the contemporary revolution will ultimately be defeated because of incompatibility with the Chinese mind, or whether the inherent Chinese genius for workable compromises will evolve a new system of thought which balances successfully the seemingly irreconcilable worlds of thought of East and West.*

Batavia-Centrum, March 1937

* *Bibliographical Note* For the interpretation of Chinese thought I have drawn on the works of the late Professor Hackmann, and for the traditional Chinese law codes on the work of Ernest Alabaster The studies of my teacher, Professor J J L Duyvendak, have guided me in the study of the Legalists I have also drawn on the scholarly publications of Jean Escarra, Legal Counsellor to the Chinese Government

NO. III: A LARGE-SCALE INVESTIGATION OF CHINA'S SOCIO-ECONOMIC STRUCTURE[1]

KARL AUGUST WITTFOGEL

THE research work which I undertook in China from 1935 to 1937 represents a continuation of similar studies begun many years ago. My first attempt to analyze Chinese society goes back to 1919. An interest in China, at first romantic, which after a while had led to the study of its language, gradually took a socio-economic turn. In 1926 I tried methodologically to outline the "Basic Problems of Chinese Economic History."[2] Several of my conceptions have since changed, but the fundamental problem remains What is this Chinese society like, which only recently has entered the road to dissolution? Is this society in external type and inner mechanism similar to that of the great cultural centers of the West? Or if not, what then are its differentiating features? In the search for a specific Oriental society, my investigations between 1926 and 1934-35 have been related, in the main, to China's socio-economic structure.[3] The search for this Oriental society, which might or might not exist—I left this entirely open—took me to China in the spring of 1935, under the auspices of the International Institute of Social Research and the Institute of Pacific Relations Mrs Wittfogel, who was historically and sociologically well prepared for the task, assisted me in the investigation of the sociological character of the Chinese family.

Chinese society has often been considered an organism basically determined by its family organization. In taking up research on the Chinese family, we therefore tackled a problem which immediately led us to the specific problems of Chinese sociology. In doing so, we had the advantage, moreover, of following the line of investigation taken

[1] The substance of this report was presented at a luncheon given by the International Institute of Social Research to members of the faculty of Columbia University on November 30, 1937

[2] In German, *Archiv fur Sozialwissenschaft und Sozialpolitik*, 1926

[3] *Cf* "Chinese Agriculture" (in German), *Archiv fur Sozialwissenschaft und Sozialpolitik*, 1929, *China's Social Economy* (*Wirtschaft und Gesellschaft Chinas*, in German), Leipzig, 1931, "The Foundations and Stages of Chinese Economic History" (in English), *Zeitschrift für Sozialforschung*, 1935.

by the International Institute of Social Research, which for some years has emphasized in its studies the importance of family sociology as a means to a deeper understanding of society as a whole.[4] The problem of authority in family and society had proved to be extremely productive in the Institute's European and American research work It also proved to be of the greatest value to our attempted analysis of the Chinese family in the past and at present

Any Western social scientist who works on things Chinese should first try to get a concrete idea of what his Chinese colleagues have already achieved in his field of interest. We found the reading of modern Chinese socio-economic literature about the Chinese family an invaluable help in clearing our own ideas Only by doing so could we ascertain what kind of material has been produced on this subject in China, and by what methods it has been produced[5] As in Chinese social science as a whole, so also in this particular case, only a small fraction of what Chinese scholars have written has been translated into any Western language Chinese historical texts and modern socio-economic writings based on them throw much light on the question of family and society The investigation of modern conditions is only now gaining momentum Concrete monographic and statistical studies are quite illuminating, but even less than the historical literature do they answer the specific questions which I had in mind

What is the social foundation upon which the Chinese family rests? Besides printed statistical information, we discovered a source not previously opened up The most modern hospital in North China, the big American founded Peiping Union Medical College (P U M C), has maintained for many years a large and extremely efficient Social Service Department which, under Miss Ida Pruitt's able direction, has collected a huge amount of case data about many sides of the private life of the hospital's third-class patients. These patients come from almost every section of the population in North China's towns and villages, except the wealthiest. Their fortunes, therefore, adequately reflect those

[4] *Cf Autorität und Familie*, Paris, 1936

[5] I had the good fortune to study Chinese with some outstanding sinologues in Germany, Professor Erkes, Professor Richard Wilhelm, and Dr Hans Simon Besides the help received from our excellent Chinese teachers, especially the writer Yang Ssu-chung, and the co-author of Dr Fenn's dictionary, Chin Hsien-tseng (the latter assigned to us by the kindness of the College of Chinese Studies in Peiping), it is largely due to the methodological linguistic foundations laid in the Chinese seminars of Leipzig, Frankfort and Berlin that I became capable of working independently through the socio-economic Chinese texts which I had, and have, to consult for the purpose of our investigation

of the broad masses in North China as a whole. We were permitted to investigate these case records with the help of several of Miss Pruitt's most competent Chinese assistants who, under Mrs. Wittfogel's direction, systematically worked through about seven thousand case records, covering a period of two years. Chinese family life from many angles was disclosed: relations between husband and wife, the position of concubines and of slave girls, that of daughters-in-law, the relative age of bridegroom and bride at marriage, family budgets, family conflicts, the composition of the small and of the large family, the unmarried strata of society, and so forth. The phenomenon of authority comes up in many of these cases in a rather direct and dramatic form who decides whether the operation on a young man or on his wife shall take place? An extremely rich social background of Chinese family life was disclosed. From the phantom of the seemingly monolithic Chinese family, as presented in traditional writings, several types of family—and non-family—life emerged, each with its characteristic social background.

But, revealing as the contents of these records were, they had been prepared for another purpose and, therefore, naturally could not completely satisfy our scientific curiosity, which was looking for the answers to very specific questions With these particular problems we had to go to the field ourselves; but fortunately not without help or patronage. Miss Pruitt let several of her most efficient assistants, Miss Yao Yu-ai, Miss Ch'en Pin-ling, Miss Hanna Wang, and Mr. Francis Hsu, conduct personal interviews according to our plan. Now we could put into the center of our investigation the question of authority in its most massive form who decides about business affairs, the lending of money, the renting of land, the sale of property; about such personal problems as marriage and education—the small family, or the large family, or the clan? Furthermore, who within the small or large family decides these questions? Relations within the family that are emphasized by religion—common ancestor worship—if such worship exists at all (this, too, we had to inquire into), might not fully express the material mechanism of family life as revealed through the socio-economic approach. And besides, what about collectivism within the Chinese family? When money is lent or land leased out to members of the larger family, where does the "business line" begin, and in what manner is the business conducted—under customary conditions, or in a different and milder way, reflecting the family relationship?

The answers received have not yet been fully analyzed, but this much is clear· they smash certain romantic conceptions which in the China

literature of the West have been handed down from generation to generation The Chinese family fulfills its specific functions in a form which differs widely from the one ascribed to it by the traditional legend. The same intense system of irrigational horticulture-like agriculture, which very early produced the small family as the standard unit of production in the Chinese village, gave birth to a specific superiority of the old, experienced head of production, a superiority which by governmental methods could be turned—and has been turned—into an instrument of private and political authority of unique influence.[6] The relations between the single small family units because of the economic disintegration are not collectivistic in any strict sense at all But as a means of mutual protection against the non-family world (which includes the government, if you are not in it), familism becomes extremely effective again. The types and grades of this system of mutual protection will be explained concretely in the publications presenting the results of our final analysis.

In this way we accomplished the first step of our investigation. But it was a step still more or less confined to one part of the country, i.e to the old forms of Chinese society which, possibly, might prevail in the northern interior more than in certain parts of coastal and central China Besides records of farm laborers and of workers in old-style workshops, of rickshawmen, shop assistants and apprentices, we also had access to all strata of the peasantry, artisans, clerks, pedlars, shop managers and teachers We even reached land owners, officials, merchants, and several factory owners and bankers But the industrial worker in a modern factory remained outside our picture. The kindness of the P U M C Social Service Department, of the Y.W C.A in Tientsin and Shanghai, of the Industrial Department of the Shanghai Municipal Council, and the generosity of the owner of a large cotton mill in Wusih, enabled us to fill the sociological gaps of our initial investigation Through well-trained Chinese assistants, we were able to interview male and female industrial workers and employees of modern factories in Shanghai. Interviews with female factory operatives in Tientsin, Shanghai and Wusih completed the picture. Social change as focused in a changed structure of family authority, which we had already traced

[6] *Cf The Foundations and Stages of Chinese Economic History*, l c 43/44, and my analysis of the socio-economic structure of the Chinese family in *Autorität und Familie* pp 505 510 The dissolution of the large family begins before Confucius, who in his basic "Five Relations," besides two non-family relations (ruler and subject, friend and friend), mentions three family relations (father and son, husband and wife elder and younger brother), all of them of a small family character

in many forms even in "old" sections of China's society, became much more conspicuous in the realm of "modern" industrial China. Our extensive travels through northern, central and southern China helped to make clear to us that purely geographical terms cannot define the dividing lines between social conservatism, dissolution and progress. These lines are sociological ones; they may be conditioned geographically, but if so in a complicated and indirect manner.

The advance of the inquiry into what may be considered an initial stage of China's industrial future, with certain rather individualistic forms of family and non-family life, had to be balanced by a return to China's oldest family type, the clan The south was supposed to have preserved this sociological phenomenon in its purest form. The Sociology Department of Yenching University, Peiping, which took a scholarly interest in our investigations, enabled us to establish productive contacts in two representative southern provinces, Fukien and Kwangtung. Mr. Huang Ti, a highly qualified assistant of the said university department, interviewed for us forty families in his own maternal clan village near Foochow. He also surveyed the socio-economic structure of two clans in their entirety. These surveys, augmented by one of thirteen clans near Canton by Mr. Tung Chia Tsun, of the Sociology Department of Sun Yat Sen University, Canton, did not, of course, exhaust the problems of clan familism in South China. They nevertheless provided invaluable new data about the real socio-economic mechanism of this enigmatic phenomenon. They may, after a final analysis, permit at least a few preliminary conclusions of no small significance.

All in all, the picture obtained through the different means described finally became rather concrete and colorful. But one side of China's family life was not yet adequately represented: that of the upper strata of society which, for obvious reasons, were much more difficult to approach than were the working and middle classes. An indirect way, through the younger generation as concentrated in China's high schools and universities, might at least partly solve the problem Mrs. Wittfogel, who had already conducted the earlier phases of our family investigation, drafted a detailed questionnaire which was tested in laboratory form among students of Professor R. C. Sailer of the Psychology Department at Yenching University. Improved by numerous suggestions from teachers and students, this questionnaire was distributed in many universities and middle schools, as well as several Y.M C A. classes, in North, Central and South China. Out of China's forty-one universities, no less than sixteen co-operated with us in this matter, among them such well-

known institutions as Yenching, Tsinghua, Shih Ta and Tung Pei Universities in Peiping, Nankai (Tientsin), Chin Ling (Nanking), Ch'i Lu (Tsinan), Ta Hsia and Kuang Hua (Shanghai), Central China College (Wuchang), Sun Yat Sen, Hsiang Ch'i and Ling Nan Universities (Canton) Among the colleges reached were Chin Ling Girls' College (Nanking), Hsiang Ta Medical College (Changsha), and Hua Nan Girls' College (Foochow)

The proportion of returned questionnaires was relatively high; we gave out four thousand forms and received back 1,725 The qualitative success was even more striking No doubt, much of this success was due to the keen interest of the teachers—especially teachers of sociology classes, who at once realized the possibilities of this attempt and carefully explained the aim and technique of the written inquiry to the students This reflects an intense general interest among modern Chinese in social questions that affect their life and their future China is beginning to discover the modern individualistic personality The young boys and girls who live in a cruelly changing transitional world showed themselves extremely eager to disclose facts and problems of their personal life Beyond a rather thin veil of conventional rationalization, they often—not, of course, always—gave quite a realistic picture of their family life, its economic background, its changes and conflicts They might not be correct about the exact amount of the family income —a difficulty well known to all social investigators They might still conventionally describe their attitude towards their father as one of great 'respect" But they did not hesitate to answer questions designed to reveal indirectly the family's real economic status, and they eagerly answered questions about conflicts experienced during childhood and adolescence They described concubinage, its facts and their psychological consequences They indicated their personal situation by telling to what person in the household they would turn with personal problems of different kinds Authority, genuine and artificially upheld, inside the small and the large family, and economic and psychological relations, were often reported in great detail They gave lists of men they considered "great" and of favorite books, periodicals and films, which further helped to establish the ways in which their conceptions of family authority are part of a general view of life

As was to be expected, there are definite limits to the breadth and the validity of the answers given, but because of the peculiar situation of the country—in the midst of a transitional period and on the eve of a historical earthquake, the war—the scientific value of the data gained

seems to be exceptionally high. These data certainly help to clear up several basic questions about the socio-economic structure of China's family. They add important facts to the other material, enabling us to analyze more deeply the causal relation between family and society It is now possible to say with confidence that it is society which creates and shapes the family, as it exists in China. The family has also its definite, and very important, social functions; but that is an entirely different matter

THE INVESTIGATION of the Chinese family, illuminating as it is, remains confined to definite limits. Even if one wished to understand no more than the shape and function of China's familism one would have to clear up its general sociological background. This we realized from the beginning. If the family, though an important feature of China's social structure, is not the decisive one, then what is? Perhaps China's time-honored examination system? This system has been praised as an institution which, by its general accessibility, gave Chinese society its democratic character, its flexibility, durability and wisdom. Does this statement hold true? For a real understanding of China's social stratification in the past, a positive or negative answer to this question would be equally important. There exist quite a few Chinese historical data which indicate the real situation, but they are of a purely qualitative character. If we could get quantitative statistical evidence as well, this would be a great step forward.

There exist large collections of biographies of officials of each Chinese dynasty If we could establish the social position of the fathers and grandfathers of a large number of these officials, especially for the period following the establishment of the examination system (T'ang 618-906 A D), we might get a statistical picture of great significance. Under the guidance of our friend and temporary assistant, Mr. Wang Yu-ch'uan, a group of history students was brought together. For the sake of analogy, they went through the biographies of two pre-T'ang dynasties, Han (206 B C.-220 A.D) and Chin (265-420), as well as the standard collections of biographies of the T'ang (618-906), Sung (960-1279), Yuan (1280-1368), Ming (1368-1644) and Ch'ing (1644-1911) eras, mostly taken from the *Dynastic Histories* [7] A final study has still to be made, but our preliminary analysis seems to confirm absolutely what the qualitative investigation by Chinese scholars had previously indicated Some "fresh blood" may have been absorbed from the lower strata

[7] For the last dynasty (Ch'ing) we used the *Ch'ing Shih Wai Chuan.*

of society by means of the examination system; but on the whole the ruling officialdom reproduced itself socially more or less from its own ranks The Chinese system of examinations had a very definite function; but, as in the case of the family, this function is by no means what popular legend has thus far made us believe it was.

The success of the first attempt to produce a large amount of data on China's social history encouraged me to take another step on a much larger scale Here we have a curious society, ruled at least since T'ang times, but probably much longer, by a scholarly bureaucracy What was this bureaucracy like? Was it at all similar to the bureaucracy of absolutist states in Europe, or to the bureaucracy of early socialism? Was it like that of the priests and scribes of Egypt or Mesopotamia? Was it a social group which expressed the interests of another, still higher ruling class, or did it in itself constitute China's upper class? For many years I had been working on these questions I had reached certain conclusions, but the material on hand had been much too thin to make me feel satisfied with the results of my own studies. What was needed was more material—much, much more representative material Only thus could our analysis be comprehensive as well as exhaustive, only thus could our answers be of definite scientific validity.

After a heated discussion concerning the character of China's society, which followed the Revolution of 1926-27,[8] Chinese social scientists felt the same deficiency more reliable data were needed before a satisfactory analysis, by an adequate method, could be attempted with a fair promise of success

The situation is different, of course, for Chinese and Western social scientists, even when the latter have direct access to Chinese texts. The Western scholar gains much if he is capable of studying the writings of his Chinese colleagues, who provide him with new viewpoints and with untranslated material that is new to him But significant as such achievement is, because of the specific difficulty of the Chinese language, this approach still may leave him to a certain degree at the mercy of the attitudes and methods of the Chinese scholars whom he happens to read and to follow Only by gaining independent access to a large amount of source material can he hope to become independent and creative on his own account

There are the *Dynastic Histories*, the so-called "Twenty-four Histories," a collection which, enlarged by the New Mongol History, now

[8] *Cf* Ch'en Hsiao-chiang, "General Results and Open Questions of the Investigation of Chinese Socio-Economic History" (in Chinese) Sun Yat Sen University, 1937.

comprises twenty-five histories or even twenty-six, if, for the sake of uniformity, we add the "manuscript" of the history of the recent Manchu dynasty, the *Ch'ing Shih Kao*, which had been arranged and written to conform with the previous dynastic histories. These *Dynastic Histories* are the standard works of Chinese historiography. They consist of material collected during the reign of each dynasty and edited after its fall. They are considered by the Chinese, who are *the* historical people κατ' ἐξοχήν, to be the standard histories for each period For the earlier periods, they comprise almost all the first-hand source material extant, and even for later periods they provide the basic historical picture. If the enormous amount of socio-economic and general institutional data buried in these collections could be opened up for the scholars of the Western world, a new situation would be created as far as historical information and its interpretation are concerned

This was the task which I saw before me It could be undertaken with any chance of success only at one single spot in the world, in old Peiping, because only there might we find a group of experienced scholars to advise and assist us; only there would be available a large group of younger, qualified scholars who might be willing and able to undertake the work itself Fortunately, I happened to be in Peiping during the last undisturbed period before the outbreak of the war, and, still more fortunately, I found an enthusiastic interest among both the older[*] and

[*] Of the greatest value in this respect was the untiring interest taken in my plans by China's leading socio-economic historian, Professor T'ao Hsi-sheng, of the National University of Peking, who not only gave me his advice whenever it was needed but also supported the work by letting his own well-trained assistants take over the whole section covering the period from San Kuo to the end of the Five Dynasties—221 to 959 A D (*Cf* Professor T'ao's own description of his relation to my work in his *Chinese Social and Economic History Semimonthly Magazine—Shih Huo*—Vol. V, No 3, 1937, pp 105 and 155)

Another leading Chinese scholar to whom my work owes much is Professor Teng Chih-ch'eng, of Yenching University, Peiping Professor Teng is one of the senior exponents of Chinese history His great work, *Two Thousand Years of Chinese History* (in Chinese, Vols I and II, Shanghai, 1934, Vol III in preparation), is considered by Chinese universities a standard textbook Professor Teng never failed to help us clear up the meaning of difficult passages The young historians who graduated under him and whom he recommended proved to be extremely reliable co-operators in our work, with great insight and scholarship

In spite of basic divergencies in certain views, many other outstanding Chinese historians, sociologists, philosophers, etc , like Professor T'ao and Professor Teng, have kindly considered my attempt an issue of general scholarly importance One of them significantly remarked that such a large-scale work on the *Dynastic Histories* had been a dream of his youth Beyond all differences of opinion, we felt united through one common goal love for Chinese culture and a genuine desire to discover truth

the younger scholars—and eager willingness on their part to co-operate in what at first may have seemed a mad adventure.

Adequate funds provided through the enterprise of the Institute of Pacific Relations and the International Institute of Social Research enabled me to organize the scientific group—historians, economists, socio-economic historians, including at the highest point seventeen men, besides the clerks—and to go to work with them. The group included several of China's best specialists in the field. The principal co-operator for the Ch'ing dynasty (Manchu period, 1644-1911), Mr Chao Feng-t'ien, had been working with the late Dr. V K Ting (at one time head of Academia Sinica) on certain problems of this period The principal co-operator on Yuan (Mongol period, 1280-1368), Mr Yao Chia-chi, was considered the best Yuan specialist, trained in the History Department of Yenching University by Professor Teng Mr Yao has since been appointed a member of the staff of the Institute of History and Philology of Academia Sinica Mr Liang Yu, who, like Mr. Yao, had received his instruction from Professor Teng, showed himself very productive in preparing the Sung material The principal co-operator on T'ang material, Mr Yu Ch'ing-yuan, is China's outstanding specialist on T'ang economic history Our co-operator for the Southern and Northern Dynasties (420-589), Mr Wu Hsien-ch'ing, is the author of the first economic history of this complicated period Mr Lien Shih-sheng, who collected our Ming material, has recently become well known as an expert on Chinese and foreign economic history Mr Wang Yu-ch'uan took an enthusiastic part in the preparation of the whole project and assisted me in several phases of it, even after he had taken an appointment at Nankai University. His work on the socio-economic position of Wang An shih (1021-1086) has been highly praised, he is considered one of the bright hopes of Chinese social and economic history Mr Tseng Chien's writings about China's earlier economic development have opened up several new problems, so has his book on China's early society Mr Tseng took care of San Kuo (221 265) and the period after The principal co-operator of Ch'in (246-206 B C) and Han (206 B C -220 A D), Mr Wu P'ei-ts'ang, was highly recommended by two leading Chinese economists, and rightly so He gained the admiration of all members of the staff, with whom he had to deal in his highly difficult task as one of our main checkers Professor Fang Chih-t'ung acted exclusively as checker He has since joined the scientific staff of the well known sinological journal, *Monumenta Serica*, in Peiping

This qualified group, following my instructions, *read* through all

sections of the *Dynastic Histories* which might contain information about China's socio-economic development, namely the Imperial Annals (*Pen Chi*), all relevant special treatises (*Chih*), and the *Lieh Chuan*, the huge collection of biographies attached to each history. They ***marked*** whatever seemed significant according to the detailed instructions drafted by myself. They *classified* the material according to this schedule, *dated* it as far as dating was possible, and then *punctuated* and *translated* into English the largest part of the material which, in the meantime, had been *clipped* and *copied* by a team of clerks who also *arranged* it on cards according to year and subject. *Checking* and *re-checking* reinforced and corrected the original translations wherever this seemed desirable, i.e. for the greater part of the manuscript collection.

The outbreak of the war in North China hampered and delayed the work, but did not destroy it. The project, worked out in the spring of 1936 and begun soon after, came to an end in its different sections at different times. At the beginning of 1938, by far the largest part of the manuscript was finished. A handwritten and typed copy of the translation covering about 2,300 "years,"[10] with the Chinese text cards, have reached New York. Only a small part of the Yuan (Mongol period) collection is still on its way to America; and the material for the last two "barbarian" dynasties of Liao (907-1168) and Chin (1115-1234) should be finished by the end of February.

This collection of Chinese texts comprises more than 50,000 items. The smaller items contain only a few Chinese characters, the biggest one occupies 59 pages (cards). The translated material for any one year varies in size from one or two sentences to 211 typed pages (for the year 1644 when the Ch'ing or Manchu dynasty was established).

There are a few short periods for which previously translated material is more plentiful than ours. But concrete facts about by far the greater part of China's socio-economic development are almost *terra incognita* to the non-Chinese world. To indicate how much this collection adds to existing materials, a few comparative figures may be quoted. Apart from E. T. C. Werner's work on Chinese sociology, which because of its heterogeneous character cannot well be quoted here, the largest collection of translated source material on Chinese economic history was that gathered by Mabel Ping-Hua Lee in her *Eco-*

[10] The material covers the time from 246 B.C. (the year when the founder of the unified Chinese empire ascended the throne of his state, Ch'in) to the establishment of the Republic in 1911. This makes a total of 2,157 "years" to which must be added several hundred parallel years during periods of disunity, when several dynasties existed simultaneously.

nomic History of China (Columbia University, 1921). This work, in spite of its methodological weaknesses, which I systematically analyzed in 1926, may be regarded as a very meritorious pioneer attempt. The main groups of Miss Lee's and of my collection, quantitatively considered, compare as follows

Period	Number of Pieces	
	Lee[11]	Wittfogel[12]
		About
Ch'in and Han (246 B.C.–220 A.D.)	122	5,000
Period of disruption (221–589)	177	4,000
Sui (589–618)	10	600
T'ang (618–906)	167	3,000
Sung (960–1279)	244	6,000
Yuan (1280–1368)	113	6,500
Ming (1368–1644)	200	5,000
Ch'ing (1644–1911)	110	6,000

But the difference is not only a quantitative one. Besides information on China's agrarian development, which constitutes Miss Lee's main topic, our material includes a section also on the general political and institutional background, and the following special sections

Public finances (taxes, expenditures, budgets)
Public labor and military service
Public works
Activities of landlords and money lenders
Famines (regions and causes)
Attitude of the people
Actions of the government
Handicraft and industry
Communications
Commerce
Currency and banking
Frontier economics (tribute)
Gifts (of the court to officials, officers, etc., of lower officials to higher ones, and *vice versa*)

[11] To get a fair comparison, Miss Lee's larger pieces have been divided into smaller items whenever the material seemed to stem from different passages. A few errors may have occurred in this, because of the difficulties involved in such a procedure, but such errors, we are sure, are not unfavorable to Miss Lee.

[12] Translated pieces, as estimated by our co-operators in 1937. Final recounting will probably show some divergencies, but the proportions of the picture as a whole may be considered more or less correct.

The documentary part of Miss Lee's book comprises about 300 pages, while our material, when published, may amount to 4,500 or 5,000 pages —i.e to nine or ten volumes of about 500 printed pages each.

We have on hand what may, without exaggeration, be called the largest collection of source material on Chinese economic and social history ever undertaken thus far by any foreign scholar. There may be a few specialists, interested in language, art, literature, religion, or philosophy, who fail to see the importance of such a collection. But even among such specialists and among other scholars of all shades who endeavor to understand the real character of China and the Far East, many already have expressed their genuine interest in this work and its possible results

The more immediate plans for utilizing the results of the research carried on during the last years in China are rather simple. Certain parts of the data secured about the sociology of the Chinese family will be analyzed and published, probably in a short series of monographs, by Mrs. Wittfogel. One such monograph would deal with the family background of Chinese students, another with that of female wage-earners, and a third with that of peasants. The material as a whole will be used by myself as the basis for a book in which I shall try to analyze the relation between Chinese family and society. The social analysis of China's former ruling bureaucracy and the data collected from the dynastic histories—together with references to other old and modern Chinese writings on the subject—will be utilized for the re-writing of my former attempt (*Wirtschaft und Gesellschaft Chinas*) to describe the history of China's social and economic development. (Originally, a second volume of that work was announced) A general economic and social history of China, adequately treated, should center around the period of China's Oriental Society, i e, the "empire," from 206 B C. to 1911 A D, the time covered by the *Dynastic Histories*. It should be preceded by a description of the rise and decline of China's feudal age; and it ought to be completed by an analysis of the dissolution of China's Oriental Society and its transition into its modern form, i.e. by a socio-economic history of the last hundred years.

Whether beyond this point our material from the *Dynastic Histories* should be made available to the interested scholars of the world depends on several conditions. A well-known sinologue is reported to have said: "We should try to let a large group of returned students translate the *Dynastic Histories*. Even if they make many mistakes, such an attempt would constitute an enormous step forward." I certainly agree with the

gist of this remark, but the question is not quite as simple as it looks at first. The translators, according to my experience, must not only be men with a good command of the English language; they should have a special training besides And the publication of such a translation cannot be undertaken lightheartedly Every single passage, even if translated by a mature student, needs careful re-checking. The work as a whole would need systematic re-examination and the unification of all technical terms In order to make such a work scientifically reliable, the Chinese texts used would have to be compared with the earliest editions available Chinese characters should be attached in footnotes for proper names, technical terms, and doubtful passages, and interpretations by the editors, or by co-operating sinologues, differing from those given by the original translators, should also be added wherever necessary In one word, the translation should only be published if it can do justice to the endeavors and reputation of the Chinese and foreign scholars associated with it, and to the scientific significance of the work as such

The responsibility for possible publication of the work already done increases in the degree to which the war discards and dissolves Peiping as the center of China's old culture and learning What, with all its limitations and unavoidable mistakes, could be achieved in old Peiping, and there alone, probably cannot be repeated for a long time to come

New York, January 1938

COMMENT AND CORRESPONDENCE

FOOTNOTE ON "AMERICAN FAR EASTERN POLICY"

In the December issue of Pacific Affairs, Mr. Frederick Field made an interesting survey of American policy in the Far East since 1931, and an even more interesting diagnosis of the present condition of American opinion. The diagnosis, indeed, is particularly useful to a British observer as a critical footnote (as it were) to the Neutrality controversy and to the President's Chicago speech of October 5, 1937 The relation of the President's words to the temper which gave birth to the Neutrality Resolution of May 1, is a problem which required elucidation for all non-American minds And, therefore, for the light Mr Field has thrown on our perplexity we, on this side of the Atlantic, are grateful

My main motive for offering my own footnote to Mr Field's thesis, however, is not gratitude for his clarifying article, but the feeling that both his arguments and his evidence from the story of 1931-1937 may lead to a somewhat different conclusion if placed in what I dare to call a truer perspective of history And in order to make my meaning clear I must, rather unwillingly, tread the hot ashes of recent controversy between Washington and London But let me say at once that I am not going to engage in the thankless task of disputing Mr. Field's interpretation of the article in the *Times* (London) of January 11, 1932, nor do I offer myself as counsel for the defense in the case which he makes against the Foreign Office at that time But I *am* going to suggest that the American critic who finds that the hopes of 1931-1932 were dashed by Sir John Simon is in possession of only part of the truth—and not its *vital* part, at that

Mr Field writes "In 1931-32 the United States and certain members of the League of Nations, after a period of hesitation, tried to form a powerful bloc of foreign nations against Japan, but Americans believe that the attempt failed largely because of lack of support from the British Foreign Secretary "

For the purpose of this argument we may leave on one side the question whether such a bloc was as near formation as Mr. Field suggests, and we may accept the conclusion that, assuming that it was, Sir John Simon was responsible. But I invite readers of Pacific Affairs to fasten their attention, not upon Sir John's responsibility, but upon the crucial words after a period of hesitation." The period of uncertainty lies between September 19, 1931, and Christmas; and I maintain that the key to the

problem, historically considered, lies in the loss of those three critical months I believed at the time, and the evidence available since then has only strengthened my conviction, that the only hopeful moment for constructive international intervention occurred immediately after the Japanese military coup in Mukden that September Each week, each month that passed increased the difficulty and hazard of effective action by the League Powers and America, and by the time the Lytton Commission arrived in Manchuria, the case was beyond ordinary remedy. Why did this "period of hesitation" fill those critical weeks? Who was responsible? Sir John Simon? Mr Stimson himself? Fate? It would be possible to make a case against Mr Stimson from his own evidence, for he deliberately discouraged any collective action against Japan during those three months on the ground that it would "play into the hands of the military" in Japan And Mr Field now writes that the American Government "had misjudged the strength within Japan of the army leaders," and was therefore acting on a mistaken reading of the situation during the autumn of 1931

I am not going to press the point against Mr Field, not only because it would merely provoke recrimination, but because there is a more important question to ask Why was there any hesitation? And why were the Governments, signatory to the Washington Treaties, so culpably in the dark regarding their respective attitudes to the crisis or their responsibilities under the Nine Power, Four Power, or Paris Treaties? Mr. Field supplies part of the explanation when he says that these Treaties failed to provide "the machinery for investigation, conciliation, and the solution of controversies" Did they so fail? Surely not. It was the powers who made them who failed to see that the Washington purpose of 1922 could not be accomplished unless the Treaties were equipped with the instruments of their fulfilment. The dilemma and the hesitation of 1931 have their root in this constructive failure of the Washington powers to continue the work so well begun in 1922. These powers, with the best will in the world, could not improvise at short notice a system for Pacific affairs Having failed to provide it betimes, they have been paying the price of their failure ever since. The negative result of the Brussels Conference was due to the same original cause.

Mr Field's article closes on the note of American isolation, due to "distrust of Europe" which has its counterpart in "European distrust of any United States move on the international front" At the heart of that distrust we can detect the problems which now complicate Anglo-American relations; and as long as these problems remain, it will be idle to talk

of common action, even in the Far East where a combined Anglo-American effort seems least difficult. As I write these words I am struck by the fact that, in Mr. Field's opening exposition of American policy and purpose in the Far East, I have only to substitute the word "British" for "American" and his statement becomes a perfectly correct account of British policy and purpose. Yet, even on this community of purpose, co-operation fails because of distrust elsewhere engendered Therefore, the removal of distrust is the first task We must hope that the process will be under way in Washington during the present trade negotiations, and that when the beginning has been made in the commercial field, the two Governments may be enabled to carry it further.

FREDERICK WHYTE
London, January 1938

JAPAN'S WAR HUNGER

BEFORE Japan went to war in China, its military prospects were usually discussed in terms of the possibility that economic sanctions might be imposed upon it. But now, after being at war for well over six months, the question of sanctions has noticeably slipped into the background Replacing it is a new question—whether Japan can obtain sufficient credits from western capitalists with which to develop whatever territory it is able to wrest from China. And it is becoming clear that Japan now fears the consequences of probable failure to secure credits no less than it formerly feared the consequences of economic sanctions.

The December 1937 issue of the *Oriental Economist* (Tokyo) contains two extremely illuminating articles dealing with this matter The first is by a Japanese, the second by an American The Japanese fairly bristles with rage and righteous indignation. The butt of his attack is Miss Freda Utley and her suggestion in a recent article that "Japan Could Be Stopped" by economic sanctions. His demonstration of Japan's invincibility, of its determination to cast off "the proletarian shackles" which bind it, nevertheless collapses at this crucial point· that Japan's fatal deficiency is oil At this point, the American contributor, Dr. Jules I. Bogen, Editor of the New York *Journal of Commerce* and Professor of Finance at New York University, takes up the cudgel. The point of his

article—indeed the occasion for it—is to assure his Japanese readers that "industrial and financial circles in the United States do not generally share the popular resentment against Japanese occupation of the North China and Shanghai areas" In a more suave and reasonable tone than his Japanese colleague, he proceeds to advise the powers that be in Tokyo, how most quickly to "end the hesitation of American financial and industrial interests to participate in financing the development of North China."

The significance of this and many other recent public and private demonstrations of Japan's desire to secure foreign financial "co-operation" cannot be underestimated For Japan has already passed the point at which it can hope to finance its expansionist policy on a cash and carry basis, as it did from the Manchurian incident until the outbreak of hostilities in North China To be sure, it is ostensibly asking for long term credits to finance the industrialization of its colonies. But actually its need for financial assistance is much greater than this would indicate For in addition Japan acutely needs short-term credits with which to finance week to week purchases of the most elementary raw materials And for the moment, this immediate consideration outweighs that of ultimately inviting foreign interests into Manchukuo and North China

The most eloquent illustration of Japan's need of financial assistance is provided by the record of its oil purchases in the United States since September The first half of 1937—a period of growing financial distress in Japan—had seen its oil purchases in America rise some 30 per cent over the daily average of 55,500 barrels for the first half of 1936. But many other Japanese purchases in the United States were increasing at a much quicker rate, and in fact during the summer Japanese oil purchases continued to lag behind those of steel, machinery and other more expensive investment goods The beginning of the present war found Japan's oil reserves low, cash was being diverted from all items for direct consumption, such as oil, into machinery purchases

Alarmed by their lack of adequate supplies of oil, the Japanese rushed into the American market In one week in September, they chartered 25 oil tankers And oil cargoes were immediately forthcoming The first week in September found "Pacific Coast petroleum markets dominated" by Japanese purchases of 25,000,000 gallons of aviation gasoline. The second and third weeks of the month resulted in shipments of a further 2,500,000 barrels (105,000,000 gallons) of crude oil suitable for refining into anti-knock aviation fuel; Shell Oil, Tidewater Associated Oil, General Petroleum Corp and Union Oil were the sellers. Large-scale Japanese purchasing continued in October, in spite of the fact that the leading oil

companies were raising their export prices In addition to some 5,350,000 gallons of diesel oil, more than 160,000,000 gallons of crude oil were sold to the Japanese; and bids were invited on 42,000,000 gallons of navy fuel

Altogether, during the 60 days of September and October, Japanese oil purchases in bulk in America totaled over 337,000,000 gallons, or some 5,600,000 gallons a day At the rate of 42 gallons to a barrel, this comes to nearly 135,000 barrels daily, or nearly double the pre-war average of 72,000 barrels a day maintained during the first half of 1937. Such an increase is by no means surprising in time of war And one would have expected it to be maintained But in fact Japanese bulk orders ceased during November and December Not until the first week in January 1938 did Japanese inquiries again come out for a few cargoes of aviation and diesel fuel And of course the lull in Japanese purchasing during the last two months of the year halved the September-October rate of 135,000 barrels a day The net result therefore, of four war-time months of Japanese oil purchases, has been that the pre-war average of 72,000 barrels a day has barely been exceeded

A number of explanations may be offered for Japan's failure to buy essential raw materials at a normal war-time rate Certainly, its earlier fear of sanctions had worn off, and the sharp slump in American business no longer justified Japanese concern lest prices rise rapidly or an acute supply shortage develop As a matter of fact, the Pacific Coast oil market was then very weak and the oil companies were embarrassed by Japan's reluctance to continue its purchases as prices fell and supplies accumulated Moreover, although year-end figures are not yet available at the time of writing, there is no reason to believe that the Japanese have been unusually active in non-United States markets On the whole, the facts show that Japan has suspended oil imports in the same way, and for the same reasons, as it has suspended imports of scrap, or pig iron and steel, of machinery, of cotton, of pulp and of other necessities. Japan has not been able to afford to buy them. And after the alarming budgetary effects of its September and October purchasing boom abroad (notably in the United States and Canada) were brought home to the Tokyo authorities, purchasing virtually ceased in spite of the acute and constantly growing raw material shortage in every branch of the Empire's military economy.

The case of oil is paralleled by steel. It will be recalled that during the first four months of 1937 the United States sold Japan more pig iron than it had shipped to the rest of the world in the previous six years.

For the 10 months January-October, American iron and steel shipments leaped from less than 40,000 tons in 1936 to fully 817,000 tons in 1937 Widely publicized scrap shipments to Japan totaled nearly 1,900,000 tons, twice as much as in the 10-month period of 1936. And throughout this period of booming United States steel shipments to Japan, Japan's steel hunger, as a leading financial journal described it, continued to grow With the outbreak of hostilities, this hunger naturally became still more painful But instead of mounting apace, Japanese steel buying in America fell away to the vanishing point. Apart from a few emergency orders for steel rails and plates, the Japanese were much more conspicuous by their absence from American steel markets than by their presence during the last months of 1937 As in the case of oil, it was not until the first week of 1938 that they reappeared to buy some 75,000 tons of scrap And again, the American steel industry was then suffering from the most severe decline in its history and was only too anxious to offer foreign customers handsome discounts which were unthinkable during the busy and inflationary spring and summer months when Japan did most of its buying During these depressed months, the Japanese had only to name their price and specify the date of delivery, and they could have had all the steel they wanted And while American manufacturers granted such discounts to European buyers, the fact is that the entire Japanese economy was at this time disjointed by the acute shortage of steel. The reason why the Japanese discontinued their buying of steel, as they did their buying of oil, was simply that they were unable to pay for it.

And yet, all during this period of the "import moratorium," the Japanese continued to ship gold to the United States in payment for the millions of dollars' worth of commodities bought there when prices were high and when deliveries required many months of waiting. Of the $250,000,000 of gold exported by Japan between March 1937 and January 1938, at least $53,000,000 were shipped after October 15, by which time the authorities had hoped that no further gold losses would be necessary This last movement of gold abroad was precipitated when British banks which held some $15,000,000 of Japanese commercial paper suggested that gold be shipped to cover it.

Now the Japanese have never attempted to deny that the United States is and must be their principal source of supply During this period of suspended strategic material buying, large orders for machinery and machine tools not made in Japan were placed with American firms Since many of these complex and delicate tools are useless unless they

can work alloy metals designed especially for them (and such alloys are obtainable only in the United States), it is clear that the Japanese have no intention of permanently discontinuing their American purchases of steel and aviation oil, the high-grade fuels required by the American-style airplane engines which Japan now proposes to build cannot be obtained in any other country. On the contrary, they frankly increased their dependence upon American industry by buying machinery made only in America, during the very months when they ceased buying commodities Undoubtedly, they are as anxious as they were last spring to make large scale purchases of steel, oil and similar necessities which they lack. This is why such frantic efforts are being made to secure credits For commercial, or even military need, as such, has ceased to determine Japanese economic policy The question of solvency, or rather of insolvency, has now become more urgent And until Japan is able either to stop fighting or to persuade foreign interests to see it through, it cannot hope to buy American commodities in the volume which its militarized economy demands.

ELIOT JANEWAY
New York, January 1938

To the Editor of PACIFIC AFFAIRS

SIR

Some of the things taken for granted by Mr Edgar Snow in his account of the Communists in Northwest China (PACIFIC AFFAIRS, September, 1937), invite a non-Communist expression of opinion Mr Snow makes it clear that vast changes have been brought about, and changes entirely for the better, in the Communist area in China. It is not his reporting of the phenomena that I question, but his interpretation of them.

Mr Snow describes a Chinese Communism that "might more accurately be called rural equalitarianism" than strict Marxism. The Chinese Communists, he says, regard land distribution as only a phase in "the struggle toward the conquest of power and final realization of profound socialist changes—in which collectivization would be inevitable." Is what the Communists mean by land distribution, however, something that the Chinese peasants will acquiesce in and help to carry out? Again, Mr Snow states that "the social, political and economic organization of the Red districts has all along been only a very provisional affair," because "their main task has always been to build a military and political base for

the extension of the revolution rather than to 'try out Communism in China.'" If so, then what are the obstacles that Communism will meet, if and when it is ever tried out in China?

The legacy of China's past makes change difficult in the immediate future. To begin with, society in China is inorganic. Only the family is an organic whole.[1] This has tended to create self-centered units. Historically, the State as conceived in Europe or Japan has simply not existed in China. Confucius, it is true, placed loyalty to one's prince above loyalty to the family, but in practice this concept was not followed. The private virtues of the family are strongly in evidence, but not its social virtues. The family absorbs the effort of the individual, checking his activity beyond the family. For mutual aid, families of the same name, party or locality may band together, but this coherence rarely extends further. The Reds themselves, according to Mr. Snow, say that "no Chinese peasant dislikes organization or social activity if he is working for himself and not the *min-t'uan*, the landlord or the tax-collector."

The small lot system of agricultural planning, under the Empire in China, was one of the agencies that fostered the importance of the family. The Emperor, in the Chinese conception, had a moral duty, and was always anxious to perform it. Filial piety, strengthened by penal law and in turn influencing penal law, was considered the foundation of government. Confucianism also supported filial piety. Recently Confucianism has been described as a philosophy of the upper classes. Is this meant to imply that filial piety exerts a less compelling appeal in the lower ranks of the Chinese people? The fact is that the family, in all social classes, remains the basis of Chinese institutions. Even Buddhism has accommodated itself to Confucian ideas of the family, which are the greatest barrier to Communism in China today.

Another legacy of the past is the *shih* class, or scholar-aristocracy, from which most of China's leaders and students are still drawn. Notwithstanding the abolition in 1911 of the old Imperial civil service examinations, the idea that brains are a better title to political power than brawn remains important. In the past, men of humble birth were able by intellectual ability to pass the examinations and enter the ruling mandarin class. The inherent ability of this class is likely to bring it to the front again. The *shih* class was dominant until the end of the T'ang dynasty (A.D. 906), when its power was lessened by autocracy

[1] Acknowledgment is made to the research of Professor K. Asakawa of Yale for several of the basic hypotheses herein proposed.

Yet today this class leads the New Life movement, which seeks to regenerate China without external aid. Such a class is not likely to welcome a dictatorship of proletarian coolies.

I do not agree with Mr. Snow that the Red Army is "an outstanding product of the impact of 'industrialization' on China." On the contrary, such unattached freebooting armies are an old and even stereotyped evil. After varying periods of mischief, they are always eliminated Their inferior composition is a result of the traditional low esteem for the soldier China's independent warlords have ample precedent in history, but on the other hand, the peaceable tendencies of the peasants have not changed since Confucian times, with the result that the only men who join such armies are more notorious for looting than for fighting

The present Communist Army is notable chiefly for the length of its retreat, its proclivity for plunder and its avoidance of pitched battles. Their shunning of the technique of Clausewitz and adoption of a plan of campaign something like that of T E Lawrence in Arabia looks like an adaptation of the best "imperialist" tradition in war. Their psychological use of propaganda recalls Lawrence's "diathetics," a word he says he took from Xenophon, who used it to describe the propaganda of Cyrus.

It is said that the important thing about the Communists is that they are an agrarian-proletarian combination, with anti-imperialist and anti-feudal aims By anti-imperialism is meant opposition to the National Government, just as comparable uprisings in the past have been against the government of the day By anti-feudalism is meant taking land by force from the large landowners and redistributing it, just as in innumerable past revolutions. To say anything else is pure sophistry. Redistribution of land, according to Mr. Snow, is "a fundamental of Red policy", but "both the landlord and the rich peasant were allowed as much land as they could till with their own labor."

Outside the Chinese warlord armies there is a dangerous vagabond class When the armies are disbanded, the vagabonds remain. People detached from the land by war start to plunder. New vagabonds add themselves to the old, hardened bandits already organized for plunder. Occasionally this detached population creates serious local disorder, not necessarily political. If defeated by the Government, they tend to spread over the landscape, and their conduct becomes worse. There seems to be no remedy for this part of the population except progress from below. They must be eliminated and absorbed.

As an aim and a principle, Communism in China is doomed The

majority of the evidence suggests that the present Communist movement, stripped of its Moscow phraseology, is not fundamentally unlike the land-equalization rebellions attempted in Ssuch'uan and Honan in the thirteenth century Communism of a kind was tried as early as the Han dynasty, and Communism of the pure Russian type was a notable failure during the Sung dynasty On the whole, equalization has appealed more to the Chinese The Communist movement of today has some sincere leaders, and some members of the scholar class have sacrificed their fortunes to it, but the vast majority of Chinese Communists are not sincere and strive by the time-honored methods of intrigue and political maneuvering to increase their power and wealth They seize on Communism simply as a means of putting down their enemies. Practical reflection would tell them that neither Communism nor equalization will succeed in China

The vagabonds do not want to settle down and own equal plots of land For them Communism would have a greater appeal. It is the peasants, together with the small capitalists, who want equalization, for obvious reasons, but equal division of land would be bitterly opposed by urban landowners Equalization has never appealed to city people

The bulk of the Communist Army is recruited from the vagabonds With the exception of a few sincere leaders, the farmers are not active in it The peasants are easily swayed by nostrums, but it is to be doubted whether Communism, as distinguished from equalization, will ever appeal to them convincingly. It would have to overcome the family system, and the fact that Chinese agriculture is intensive and quite different from that of Russia Even if Communism is attempted with sincerity it is reasonably safe to say that it will fail It can be broadly described as a means, a convenient and plausible deception, that is used in a maneuver toward other objectives. We may expect its label to be changed—when convenient

W E. Wheeler, II
San Francisco, August 1937

[It has proved impossible to refer this letter to Mr Snow, who has been with the Chinese armies as a newspaper correspondent I should like to make a few comments on Mr Wheeler's letter myself, however, because it seems to me to reflect a type of confusion common in the minds of people who have an interest in the China of today and some theoretical knowledge of the past.

Like many Westerners, Mr. Wheeler has an undue veneration for

the Confucian concept of the family. The mainspring of Chinese society has always been manpower, because of lack of both mechanical and animal power. It needed cheap labor, and paternal authority to make people work from childhood onward. At the landlord level of society this meant that overproduction of children by tenants and laborers kept down the price of field labor. At the appalling level of poverty of most Chinese peasants, it meant that although people could not, so to speak, "afford" children, they also could not afford to refrain from treating their children, small and grown, as property. What "filial piety" meant for them was the right to sell daughters and make sons work from the time they could stand up This is the answer to Mr.Wheeler's question whether filial piety exercises "a less compelling appeal" in the lower ranks of the Chinese people.

Again, Mr Wheeler oversimplifies the idea of a scholar-aristocracy of "brains" ruling over "brawn" The important thing about the scholar was that, not exceptionally but normally, he was also a landlord, and related by blood and marriage to other landlord-administrator-scholars The examination system was intended to monopolize the profession of government for those who could afford higher education. It is true that a man who was a "nobody" could occasionally crash the nominally democratic but really aristocratic examination gate; but since this meant that he automatically entered the aristocracy, it did not affect the smooth working of the rule

I do not know where Mr. Wheeler could have got his idea that the "vagabonds" form a special class in China The people he presumably means are not a class, but the dregs of a class, produced, moreover, by the perfectly normal working of the landlord system and Confucian family system, with their insistence on overproduction of population. The Chinese economic system cannot do without this wage-regulating and rent-regulating standard, in spite of the fact that the dregs from time to time get too thick, frightening the landlords into repressing them savagely This is the real crux of the Communist question in China: can it provide the "progress from below" postulated by Mr Wheeler and create a society sound at the foundations?

I am sorry I do not know the Communist answer to this and the other questions brought up by Mr Wheeler I am afraid that in trying to correct some of what I consider to be his misapprehensions, I may have confused the very real issues between Marxist ideas of what is wrong in China and how it should be set right, and capitalist ideas of favoring progress, but at the same time preserving what is admirable and sound.

In one thing however I am certain that Mr. Wheeler is wrong. In denying that the new industrialization has galvanized the old, mainly agrarian discontent in China, thus creating the Communist Army, and in assuming that the Communists have no horizon wider than the repeated peasant rebellions of the past, he disregards all the immense changes of the last hundred years in China, and especially the effect of industrialization and foreign trade in destroying the old standards of society and the state

He also goes much too far in asserting that the Communists are nothing but marauders, that the "vast majority" of them are insincere, and that their real ambition is for "power and wealth" So far as I know, the few outside observers who have seen the Red Armies agree to their extraordinary discipline, the good relations between army and people, the carrying out of measures like land redistribution in an orderly manner, without looting and rapine, and the universal enthusiasm for education and everything progressive The official accusations of "Red terror" should be compared with the undeniable "White terror" against peasants and others suspected of Red sympathies, and also with the fact that out-and-out bandits have frequently called themselves "Reds," although not accepted by the Reds and speedily cleared out of regions effectively occupied by the Reds

In any case, the pressing question in China today is not one of doctrine but one of national survival The "change of label" foreseen by Mr Wheeler has already been made, which in fact proves that the Reds were sincere in their offer, made long ago, to drop their minority claims in favor of a common front against Japanese invasion, and were willing to make real sacrifices in order to achieve unity For Western theorists and commentators this is also the only real question whether China is to be conquered and monopolized by Japan, or whether it can make good what is undoubtedly the most passionately-held ideal of the whole Chinese people—its claim to survival among the free nations—O. L]

To the Editor of PACIFIC AFFAIRS:

SIR

In the June 1937 issue of PACIFIC AFFAIRS, M Jean-Yves le Branchu thus indicates the policy that the French Popular Front Government is likely to pursue in the French colonial empire

"If an acute conflict arises in the Far East, either in the domain of

internal politics (such as an awakening of Indo-Chinese nationalism) or in the international field, it is probable that the Popular Front Government will act more or less as preceding Governments have acted"

This statement does not lose importance through the resignation of M Blum He and his cabinet have been replaced by a second government of the Popular Front Although it is less radical, the attitudes and policies of the bloc of Left parties and movements that form the Popular Front are of greater consequence, and they presumably remain the same Even if the Popular Front should go out of office, the focus that it gives to the doubts and aspirations of more than half the French population is of continuing importance to France, to its colonial empire and to general world imperialist-colonial relations

A marked feature of post-war development is the growth of aggressive nationalist feeling in the different colonial empires Empire and colony relations are increasingly hostile and bitter The problem of these relations is continually being shifted to newer ground, so that solutions do not keep pace with the questions raised. Such an atmosphere is not conducive to friendly relations among the different peoples of the world. It is in just such a diseased world that the French Popular Front and similar or amorphous combinations of Left parties in other imperialist countries have acted as healers. The bridge between imperialism and movements for colonial freedom is shattered, but the Popular Front movements seemed to have made a new bridge of amity and co-operation between the exploited masses in imperialist countries and the oppressed peoples in the colonies On the basis of the old domination, no friendly relations between the peoples of the empires and their colonies were any longer possible. Only increasing bitterness was in sight A strong check to this was provided by the ideological and tactical agreements on the imperialist issue between the Popular Fronts and the Colonial Freedom Movements

If it is true that in the event of an acute conflict the French Popular Front Government would act like preceding Governments, it will be a great blow to the maintenance of human relations over a large part of the world Without going into the justice and necessity or otherwise of such a policy on the part of the Popular Front, it is necessary to be clear about its most important and depressing consequence. The colonial peoples may begin to look upon the entire peoples of imperialist countries as their foes, without distinguishing between them and their ruling classes

It is difficult to say how far the former Minister of the Colonies,

M. Marius Moutet, would have agreed with the conclusions of M le Branchu On his advent to office in 1936 he granted large-scale amnesties to political prisoners in Indo-China and elsewhere. Syria has been granted independence, as far as it goes. The Popular Front Minister might well claim a colonial policy fundamentally different from that of his predecessors Yet there are certain disquieting tendencies and statements which go to strengthen M le Branchu.

The colonial program of the Popular Front recommends "the constitution of a commission of parliamentary investigation on the political, economic and moral situation in the French colonial territories, particularly in North Africa and Indo China " This sounds suspiciously like the Royal Commissions of British conservative governments, and suggests that the Milner Report on Egypt and the Simon Report on India will be taken as models by French investigating commissions There is prima facie no harm in investigations and reports. It is always good to know the truth A report may also be necessary as propaganda to convince public opinion that cutting of the empire-colony tie is imperative There is, however, another aspect Reports usually do not tell the truth More often they justify the continuance of imperialist domination in one form or another. In any case, an investigation takes time and a period of uncertainty is inevitable The appointment of an investigating commission is as a general rule expressive of an "open mind" or at least hesitation The colonial peoples do not want the Popular Fronts to be either open-minded or hesitant about their aspiration to full freedom and complete popular sovereignty

There is a fear in sections of the Popular Front that upon their withdrawal from the colonies some other imperialist power will take their place M le Branchu says that the heads of the Communist Party "realized that the withdrawal of the French from Indo-China would almost certainly bring about the replacement of French rule by Japanese rule " If the heads of the Communist Party think so, it may be assumed that other sections of the Popular Front hold similar views. This is a vague fear, however, and at least as many arguments can be advanced against it as in its favor. A free people with an army sustained on the popular will can be expected to offer greater resistance to imperialist conquest than a colonial people with mercenary troops under imperialist occupation A disaffected French Indo-China might not like to fight Japan, but a free Indo-Chinese Republic would certainly fight It might, however, be claimed that though Indo-China under French control might lack popular enthusiasm, it would have plenty of tanks,

planes and battleships, which would be more effective than enthusiasm in resisting Japanese invasion To that, the ideological stand of the Popular Front ought to give a convincing answer. The Popular Front stands for peace and equal friendship among nations There is no reason why it should not help an ex-colony, which had become a friendly nation, with arms and munitions Such friendships, moreover, are not one-sided, they yield all-round happy results In the second place, however urgent and justifiable such a fear, it cannot reasonably be made the basis of a Popular Front colonial policy On whatever ground the legitimate aspirations of colonial peoples are denied to them, the fact of such a denial by a Popular Front would irretrievably worsen human relations between the exploited masses in imperialist countries and the oppressed colonial peoples.

M Moutet has also talked of his double "role of civilizer and emancipator" of the colonial peoples The light of civilization should always be welcome But, curiously enough, it has usually felt itself more at home with the darkness of imperialist domination It can only be hoped that the Popular Front will never allow this dualism between the mission of civilization and that of emancipation to be resolved in favor of the former

The opinion of a group of American sociologists on the Philippine question is reproduced in the same issue of PACIFIC AFFAIRS. "Withdrawal," they say, "must be completed No vestiges of American control should remain. The Philippines must be an independent nation with its independence and neutralization guaranteed by international agreement" Humanity expects the Popular Front never to fall short of this

RAMMANOHAR LOHIA
Allahabad, July 1937.

Red Star Over China *By Edgar Snow London Gollancz 18s New York Random House pp 488 Illustrated* $3 00.

In May 1937 the head of one of the great foreign news services in China told me that he was going to Europe for the summer because there was going to be no news in China In June an American educator in Nanking, who has access to a great deal of "inside" information, criticized the publications of the I P R to me because they still assumed that Red China was a major factor to be reckoned with in Chinese life As late as July 15, an English essayist wrote me from Shanghai "The Chinese will not really fight seriously on a national scale, however much they talk" Yet it was in these months that Edgar Snow was correcting the proofs of a book which was to mark an epoch, not only in his own journalistic career, but in the understanding of China today.

Edgar Snow is not a Communist, but has come into intimate contact with the Chinese peasant and been immensely impressed with Chinese character Seven years of life in the East have molded his cleverness into wisdom They have transformed his articles from good routine journalism into what strangely enough the London *Observer* describes as "one of the greatest books of our generation", for Snow's articles, and now his book, have forced up the level of thought regarding China all over the world He has given the capitalistic world the materials for striking a balance between the Red and White forces in China—means that have long been possessed by Soviet Russian scholars For though, as Snow points out, the direct personal and financial contact between Moscow and Red China has now for years been small, Soviet Russian scholars by painstaking effort have managed to piece together a fairly coherent picture of the evolution and ever-growing strength of Red China Just as the news of important developments in Moscow took months and months to reach the leaders of Red China, so letters from Red China, newspapers published by the Chinese Soviets, and the texts of Red China's Government proclamations took as long to reach Moscow Snow confirms the assertion of highly placed members of the Kuomintang that since the departure of Borodin and his associates the Chinese Soviets have operated as an indigenous, independent, spontaneous and financially hard-up body, which did not (but would have liked to) receive the enormous sums of Russian money which they have been accused of accepting

Personal descriptions in the book include Chu Teh, who is described as the Chinese Napoleon. It is to him that his old enemy General Chiang K'ai-shek delegated, in the winter of 1937-38, the herculean task of dislocating the steel-ribbed Japanese lines of communication running south and west from Peiping. At the moment of writing Japan's famous military leader, General Terauchi, seems to be the opposite number to Chu Teh, of whom Snow writes:

> The uniqueness of his career is this that this scion of a family of landlords, rising to power and luxury and dissipation while still young, was nevertheless able, when past middle age, to discard the degenerate environment of his youth, to break, by a superb act of human will, a life-long addiction to narcotics, and finally even to forsake his family, and devote his entire fortune to a revolutionary ideal which he believed to animate the highest cause and purpose of his time. For the success of this mission which had seized, shaken and remade his character he staked a head which came to be valued at $250,000 by his infuriated enemies.

In truth "the stone which the builders rejected is become the headstone of the corner"

Guerilla warfare is now being planned and waged in China on the four-point program which was originally promulgated at Chingkanshan in 1928 These became the A B C for every Red Chinese soldier.

> Enemy advances, we retreat
> Enemy encamps, we harass them
> Enemy avoids battle, we attack
> Enemy retreats, we pursue

In the annals of war there is little that is new in either the strategy or the tactics of guerilla warfare What has made Red China one of the major factors of modern history is the way in which the social organization of the countryside has been integrated with the guerilla warfare.

The description of the "Long March" almost makes Xenophon's heroes shrivel into chocolate soldiers That alone makes this book the great adventure book of the year, but it is of even greater importance as a handbook for the historian and the political scientist Its source materials are as important for the students and statesmen of China as for those of the British Empire and the United States. The most conspicuous flaw in this invaluable book is the author's tendency to ignore the very substantial achievements of the Nanking Government For him most Reds are white and most Whites are black. It is a pity, too, that his handling of the Communist International is so deficient

The power of the Chinese Communist apparently lies in his com-

plete and whole-souled identification with the Chinese peasant. A pi
turesque twelve-year-old "Little Red Devil" put prophetically the co
tribution of the Red Army to the China of today in three short clause
"The Red Army fights for the poor, the Red Army is anti-Japanes
Why should any man not want to become a Red soldier?"

The veniality, incompetence, and sectionalism of some Chinese run
as a menacing thread throughout the whole book. It reaches its climax c
vivid arraignment in the chapter, "Death and Taxes," in which th
author describes the famine in Suiyuan in 1929. With heroic an
able members of the International Famine Relief Commission, som
foreigners and some Chinese, Mr. Snow passed through cities of deat
across fertile countries become desert, a land of naked horror. He wa
twenty-three then, looking for the "glamour of the Orient", but there fo
the first time in his life he came abruptly upon men, women and chil
dren by the thousand who were dying because they had nothing to ea
In those hours of nightmare, he asked himself:

> Why don't they revolt? Why don't they march in a great army an
> attack the scoundrels who can tax them but cannot feed them, who ca
> seize their lands but cannot repair an irrigation canal? Or why don'
> they sweep into the great cities, and plunder the wealth of the rascal
> who buy their daughters and wives, the men who continue to gorg
> themselves on elaborate thirty-six-course banquets while honest me
> starve? Why not? I was profoundly puzzled by their passivity. For
> while I thought nothing would make a Chinese fight. I was mistaken
> The Chinese peasant is not passive, he is not a coward. He will figh
> when he is given a method, an organization, leadership, a workabl
> programme, hope—and arms. The development of Communism i
> China has proved that. Against the above background, therefore, i
> should not surprise us to see Communism especially popular in th
> Northwest, for conditions there have enjoyed no more fundamenta
> improvement for the mass of the peasantry than elsewhere in China.

The leaders of Red China represent to the peasants Franciscan sim
plicity, personal bravery, an abounding humor, and a strategic ingenuit
of magical dimensions, but they represent, as well, a way of life that ha
convinced the masses that here at last are political leaders who will no
betray them into the hands of the landlords and money lenders. Snow'
enthusiasm leads him to make several generalizations, but no one wh
knows intimately the reputation which the Reds still have in the provinc
of Kiangsi, from which they were driven in 1934, will be able to chal
lenge his assertion: "Millions of peasants have now seen the Red Arm
and heard it speak, and are no longer afraid of it."

With an apparent profound sincerity, the Chinese Soviets have wholeheartedly joined with Chiang K'ai-shek in resistance to Japanese aggression, even though the Generalissimo had spent fabulous sums over a period of ten years in an attempt to exterminate them The Red Army appears now to be under Chiang K ai-shek's supreme command. The socialization of the land has been dropped by the Communists. Their methods for organizing the masses of Chinese peasants for resistance to Japan are being adopted more and more by the Central Government, and behind the screen of various censorships and delayed dispatches there emerges in dim outline the picture of a genuine United Front, with Chiang K'ai-shek providing Chu Teh with sufficient munitions to enable him to capture large supplies of Japanese war materials Individuals and units from the Red Northwest are aiding Kuomintang leaders behind every front in the mass organization of the peasants and in the technique of guerilla warfare.

The diaries of the Generalissimo and Madame Chiang K'ai-shek, *First Act in China,* by James M Bertram, and Mr Snow's closing chapters. "A Preface to Mutiny," "The Generalissimo is Arrested," "Chiang, Chang and the Reds," "Point-Counterpoint," "Auld Lang Syne?" supplement each other most helpfully and call for little more than an indiscreet diary by shrewd, honest, modest W. H Donald to complete the picture British and American friends of China who are reported to have urged Chiang K'ai-shek as early as 1934 to cease spending enormous sums of money in liquidating the Communists and instead to accept their offers of a united front, suspect that even then Chiang K'ai-shek, patriot that he is, realized that sooner or later circumstances must throw him and his old enemies together again in the face of a more menacing and powerful foreign foe Though some predict that the present United Front is an arrangement of convenience between Kuomintang leaders and Mao Tse-tung, Chu Teh, Chou En-lai, and P'eng Teh-huai, as representing the Chinese Communist party, others who fully appreciate the depth of the twin virtues of patriotism and realism in both Mao Tse-tung and Chiang K'ai-shek believe that a long period of co-operation between these two men is definitely within the range of possibility, not only in war but also in social reconstruction after the war is over. Those who hold this view are bold enough to affirm that the positive personal and intellectual qualities that these two outstanding men possess can be combined in enabling China to continue to a successful issue its great war of liberation.

Edward C. Carter

First Act in China: The Story of the Sian Mutiny. *By James M Bertram New York: Viking Press.* 1938 *pp.* xviii + 284 $3 00

This book, written with much penetrating understanding and a very fascinating style, has, as its author professes, a twofold purpose The main one is to throw light on a complicated and critical moment in contemporary Chinese history, on that world-famous but peculiarly Chinese armed protest against Generalissimo Chiang K'ai-shek's policy towards Japan, during the 59 days of revolt and counter-revolt, from December 12, 1936, to February 4, 1937 During this period the "Red terror" was a myth but the "White terror" was real enough As a subsidiary purpose, the book furnishes an outline picture of China today This is perfectly justifiable, because the "Sian mutiny" brought into play nearly all the vital social and political elements in China The characteristic features of each group were brought to culmination in the thrills of the time The outline picture of China today, furthermore, has been usefully clarified by this New Zealand author, a former Rhodes Scholar at Oxford He has given the reader all the data really necessary to appreciate the spirit of Chinese history during the past decade, throughout which the Kuomintang and the Chinese Communists fought bloody civil wars Sian, as so ably analyzed by Mr Bertram, represented the definite termination of this internecine fight and an equally definite embarkation upon a national revolutionary war against the Japanese domination and invasion

Bertram has accomplished his twofold purpose, and more He throws light rather incidentally on three types of Occidental residents in China Among many curious people on the roads, there are the missionaries "The size of missionary families in China is a perennial source of wonder to most travellers Perhaps it is most easily explained on economic grounds —there is usually a mission subsidy for every child" Only one out of the many mission workers in Sian seemed to have any real feeling for the issues that had been put forward so dramatically in China's Northwest When this British missionary was asked what he thought of the mutiny, he replied with some deliberation, "The violence, of course, I regret But much good has come of this already We have learnt something about the Communists I think Chiang K'ai-shek learnt much, too, in Sian—much that it was necessary for him to know Certainly the prospects for real unity in China are more favorable today than they have ever been"

The foreign community of Peiping in general and the typical Shanghai

mind, or what is called by the author the "Peter Fleming mind," are the other two types The former has been regarded as "an anachronism," or a picturesque survival like the foreign colony in Florence before the World War " To these ladies and gentlemen of leisure an invitation to a cocktail party, or a moonlight visit to the Temple of Heaven, were serious events "All that had happened since the Manchus seemed to them a mistake of history. They were interested in China as pattern, not in China as change " The foreign press in Shanghai, on the contrary, was so much interested in the Sian affair that it deliberately painted a false picture of "Red terror" and "Red imperialism " An English newspaper mailed to Sian elicits from Bertram the terse comment that "it was an initiation into imaginative journalism at its raciest " Such journalism, especially exemplified by the Japanese news reports during those days, was responsible for bringing about a general confusion worse confounded

China is still a semi-colonial country and its free economic and political development has long been hindered Moreover, as Bertram points out, it has the geographical misfortune to be neighbor to the youngest and most aggressive of imperialist powers Japan is threatening to reduce China to the status of a mere colony "Until this danger is removed, until the National Revolution is completed, the normal development of Chinese society can never continue " Certainly it was the realization of this basic problem that brought the troops of Chang Hsueh-liang and of Yang Hu-cheng to adopt the policy of a national united front against Japanese aggression and its tools in China This policy was first advocated by the Chinese Communist Party, which early in 1932 directed the Chinese Soviet Government in Kiangsi officially to declare war on Japan (p 102) The Communists suggested the release of Generalissimo Chiang K'ai-shek because, in line with that united front policy, they wished to rescue Chiang from the pro-Japanese group and make him lead a national army to resist foreign invaders The Generalissimo was forcibly detained by Generals Chang and Yang, as there was at that time no other effective way to bring good advice to him, but after nearly two weeks' detention he returned to Nanking safely Chou En-lai, the Communist commissar in Sian, a cool, level-headed, persuasive man and, according to Bertram, a master of strategy, was "the most successful advocate for Chiang K'ai-shek's release." In Bertram's opinion, "so long as Chiang had to depend for political power on what were classed as the 'anti-Japanese elements,' the united front against Japan was not impossible" (p. 250). "As an intelligent man he was open to conviction, and could appreciate the strength of an argument—especially when it vitally

affected his own political position" (p 147) That argument, of course, was both simple and real namely, to turn the 10 Divisions of Nanking troops near Sian and the 200 bombers at Loyang, which threatened the destruction of China's Northwest, into a central force against the Japanese military invasion in North China, the focus of which at that time was in Suiyuan

With the first news from Sian, the Japanese campaign in Eastern Suiyuan came to a sudden halt Thus the pro-Japanese clique in Nanking was given ample opportunity to launch a civil war Thirty Nanking planes bombed the railway station at Weinan on December 16, 1936, and killed many Chinese workers, and in the yards of the cotton packing plant nearby, the earth was stained with blood "Silver bullets" were used simultaneously, for the venerable Chairman of the Control Yuan, Mr Yu Yu-jen, rushed to Shensi in a luxurious private car to present General Feng Ching-tsai, a former subordinate of General Yang Hu-cheng, with a million Chinese dollars It was the very doubtful status of this General Feng that heightened the anxiety of the author and his Chinese companion when they were travelling in his territory, in a narrow river valley between snow-streaked cliffs of loess, approaching the end of their very precarious and adventurous journey to Sian

Bertram describes both nature and human nature with a rare artistic touch The sickly looking moon dancing vaguely across the Huto River, the morning sun flashing through the mist, the towers and trees of the Fen Valley, the evening clamor of blackbirds at the T'aiyuan railway station, and above all, the mountain pass leading from the east into Shansi, the Niang Tze Kuan, painted by him as "a line of masonry curved along the shoulder of the hills, with fortresses that cut the sky, and far below, the snow water ran green against the rocks." These and many other scenes rival some of the best Chinese brush-work To name General Chen Chi-tang, now retired, as "one of the most notorious grafters in China," or to fix Yen Hsi-shan as "the type of the pure individualist in Chinese politics," is nothing ingenious But few indeed could be so gifted as to understand Wang Ching-wei as a "shoddy Robespierre of the Chinese Revolution"

There are several small errors in the book, such as calling the 29th Army "the 29th Route Army", and spelling Chien Ta-chun as "Chen Ta-chen" Typographical mistakes are not few (pp 18, 23, 44, 59, 66, etc), but perhaps all of no consequence What is baffling to me is the author's statement that the revolutionary years 1925-27 in China may be regarded, along with the days of the T'aipings and the Boxers, as "move-

ments of a blind instinctive fury" (p. 25). Let us not forget that the shoddy Chinese Robespierre won his political distinction as long as 10 years ago.

CHEN HAN-SENG
San Francisco, January 1938

PROBLEMS OF THE PACIFIC, 1936 *Edited by W. L. Holland and Kate Mitchell, assisted by Harriet Moore and R. Pyke. London Oxford University Press Humphrey Milford* 1937. *pp* ix + 470. 21*s* (*Chicago University Press* $5 00)

WHEN the authors of this survey did their work, neither they nor anyone else knew that the East would be overrun by war by the time their book appeared in print If that accident has made their work more timely, it has also provided a sterner test of its work than any view which a reviewer might hold

This volume is a summary survey of the Sixth Conference of the Institute of Pacific Relations, held at Yosemite in August 1936—a meeting made significant by the appearance, for the first time, of delegations from France and from the Soviet Union The actual discussions are surveyed in the first part of the volume, while a second part gives in full a number of the more general documents contributed for the conference There is also an introduction, which the self-restraint of the editors has made much too short, on "The Pacific Scene, 1933-6"

During that period the Pacific scene changed fast, in a way which, under the pressure of a complex of new influences, has contributed perhaps materially to the outbreak of the present conflict The period saw a serious, and perhaps crucial, worsening of the European situation, with close repercussions in the Far East For it led to the beginning of an anti Democratic grouping, with the German-Japanese anti-Communist pact—a pact less weighty in itself than for the ideas it may have put in certain Japanese heads, and at the same time it tied British power to Europe, while strengthening the isolationist tendency in the United States Another group of factors tended apparently to counteract the first During that period the Soviet Union completed important industrial, railway and military undertakings in Eastern Siberia, while China was obviously becoming more consolidated with every year that passed. Those were things which were changing the Eastern balance of power more realistically than the anti-Communist pact. In any case, as far as Japanese policy was concerned, the second group was having the same

effect as the first group it was creating, so to speak, an urgency of opportunity for assuming, while it was time, control in the Far East The period under review saw, therefore, the diplomatic prelude to the present conflict It saw Hirota's declaration of policy in regard to China, and the much more far-reaching "Amau statement" which, in effect, proclaimed a doctrine which would put the Far East under Japanese guardianship

The discussions at the Yosmite Conference inevitably skirted around these diplomatic symptoms They dealt rather with causes and possible remedies, with the many direct issues, political and economic, which together combine to provide material for still wider conflict The conference had gathered together a remarkable galaxy of knowledge and ability, and the textual quotations from speeches show that the general good will that prevailed was not displayed at the cost of frankness. Yet, as the summary makes clear, those present could not even among themselves come to agree as to what political and economic measures might secure peace Opinion was honestly divided between the conviction that pressure could be eased through internal economic and social reforms, and a belief in the need rather for international economic concessions, and between those who stood, like the Japanese (and the dictatorial countries in Europe), for bilateral local political arrangements, and the many who saw no hope except in the emergence of a collective system One thing would seem to be certain—that under present conditions economics and politics are in every sphere so closely intertwined, that economic concessions seem impossible without a firm prospect of peace, and peace seems unlikely without economic adjustments Our failure to make headway since the World War can be traced back to that inescapable duality of the problem of peace It would be dangerous if the feeling were to grow among the peoples that their deep desire for peace is balked by the nature of the economic system, in a way similar to that in which during the 19th century the European peoples came to believe that their wish for peace was balked by the existence of kings. The belief may have been false, but the dynasties are fewer by many

The Institute of Pacific Relations, and its conferences, are precluded by their nature from drawing conclusions and expressing opinions; and the delegations being national, it is inevitable as things are that their views should suffer from certain limitations Future conferences might gain if it were possible to add to their membership a group of delegates-at-large, charged with the task of stating the case for the Far East as a regional whole, in terms of common needs and possibilities. Given the

structure of the conference, this survey of its work is nothing short of admirable If there is one thing more difficult than writing a book it is to edit other people's work; and when the "other people's" is the work of a whole conference, so varied in subject and membership and viewpoint, the task is formidable Yet this volume has succeeded in giving a fair and informing survey, and at the same time making it readable

D MITRANY

CHINA AT WORK AN ILLUSTRATED RECORD OF THE PRIMITIVE INDUSTRIES OF CHINA'S MASSES *By Rudolph P. Hommel Published for the Bucks County Historical Society, Doylestown, Pa, by the John Day Company New York* 1937 *pp.* x + 366 $5 00

THE late Henry C. Mercer, who founded at Doylestown a museum to preserve and exhibit his collection of utensils and implements illustrating the industrial history of the eastern United States, made it possible for Mr Hommel to spend the years 1921-1926 and 1928-1930 in China, collecting the photographs and data from which he has made this interesting book The wide range of material has been arranged genetically in five chapters, covering tools to make tools, tools for providing food, tools for making clothing, tools for providing shelter, and tools for transport This classification sometimes becomes somewhat arbitrary, as when whetstones and candles are listed as tools for providing shelter, while chairs and windows are classified as the same kind of "tools" But such minutiae can scarcely matter to the general reader, who will take delight in the abundant and clear photographs (at least one and frequently more to a page) and the lucid and concise descriptions that accompany them Careful planning has placed the illustrations to correspond with the text, even when the descriptions lead into interesting bypaths, as when an account of nose-rings for cattle leads to a discussion of women's earrings The book is a veritable portable museum of Chinese arts and crafts, and should be invaluable source material for anyone interested in non-professional study of Chinese culture

For serious study the case is somewhat different. Mr Hommel apologizes for inconsistencies in his transliteration of Chinese names, and one might wish that this were all he had to excuse. He states specifically, in his preface, in what parts of China he travelled; the unsettled political conditions during much of the time he was there probably explain why those regions were chosen for study. But one cannot help questioning a

description of Chinese iron-working based on studies made in Kiangs province and the native city of Shanghai, iron-casting as practiced in Chekiang, bean-curd making in Kiangsi and Chekiang, and various other instances where the place chosen for study is not the type region for China as a whole It is most unfortunate also that the first historical statement he makes, in the middle of the first column of the first page of text, is wrong The error is perhaps excusable because, since Samuel Couling made it in his *Encyclopedia Sinica* (Shanghai, 1917), the statement has been drifting around through literature that Liu An, in his *Huai Nan tze*, refers to anthracite coal as *ping t'an*, thus placing the first reference to coal in Chinese literature as early as the second century B C But one has only to glance at the *Hwai Nan-tze* to perceive that Liu An is there actually engaged in an alchemic discussion of the relations between *ping*, ice, and *t'an*, charcoal, by no flight of the imagination can it be twisted into a reference to anthracite coal This bad luck in choice of authorities on matters historical seems to dog the author throughout, and he leans heavily on Giles, Hirth, and other writers who belong to a generation when what is now generally regarded as Chinese folklore was considered to be worth quoting One wonders, too, why he did not go personally to see how salt is made (that being one of the most characteristic of Chinese labors), and thus be saved from overlooking the Chinese windmill, built to rotate about a vertical axis, which is quite as characteristically Chinese as the double-action box bellows, which is so adequately described on pages 18 to 20 No equally adequate description of the Chinese type of windmill seems to be easily available For the purposes for which it is intended, however, the book is admirably adapted, and it is likely to be provocative of much innocent interest in things Chinese

T T READ

JAPAN'S FOREIGN RELATIONS, 1542-1936 A SHORT HISTORY *By Roy H Akagi Tokyo Hokuseido Press* 1936 *pp* xv + 560 $4 00
THE ABROGATION OF THE GENTLEMEN'S AGREEMENT *By Rodman W Paul Cambridge Harvard Chapter of Phi Beta Kappa* 1936 *pp* xiii + 117 $1 25 *(for sale by Harvard University Press)*

AS DR AKAGI says in his preface, there is need for a general history of Japan's foreign relations This need he has satisfied about as well as limitations of space and of an apologist's point of view permitted His book is not distinguished in style nor penetrating in analysis, but it

is clearly organized and forthright in expression of opinion, and it contains a fair proportion of new information. Students, however, will regret very keenly the absence of references to authorities or documents. This is the more disturbing in that the author makes a number of statements of fact which may be difficult to check.

His book is a narrative of four centuries of Japanese foreign relations He does not attempt to go beneath the record of events into underlying causes nor to suggest any large plan into which events might be held to fall Rather it is his view that Japan was forced into a program of imperialism by the necessity for self-protection against Occidental aggression Apparently, to his mind Japan's program has not been planned in advance but has evolved as unforeseen events have dictated. He gives but 80 pages to the first 330 years, ignoring relations with China and other states of Eastern Asia during the long Tokugawa era.

Dr Akagi is an exponent of the well-worn precocity theory of Japan's rise to greatness· "The 80 years which followed 1854 saw a record of marvelous achievements, unparalleled in world history, of Japan's rise from a hermit Kingdom in the Far East to a great world Power" (p 5). He is lenient with Commodore Perry ". . . the United States of America, through Commodore Perry's cautious but dignified effort, succeeded in forcing Japan's doors open . . ." (p 19) His account of the opening of treaty relations and of the subsequent efforts toward revision is valuable, but the treatment of China's rights of suzerainty in the Liuchiu Islands and Korea is confined to the single statement that China "claimed" such rights. There is no explanation of Japan's claim to Sakhalin nor of the possibilities, if any, of a Sino-Japanese entente in 1871 He applauds Japan for espousing Korean independence and later for protecting China's sovereignty against Russia in Manchuria It seems to me that Dr Akagi loses much of the respect to which the scholarly acumen and knowledge exhibited by his book entitle him when he endorses the naive explanations of his country's paid propagandists.

If anyone who reads bulky factual studies like *Japan's Foreign Relations* still believes that European states and the United States were not and are not self-interested in their Far Eastern policies, perhaps this work was needed to adjust the balance In 1897-8 "the Western Powers freely preyed upon the crumbling prestige of the Celestial Empire" (p. 169). True, but if "China bartered her soul to the Powers in the Sino-Japanese War," which is doubtful, it was Japan that revealed China's weakness and started the disgraceful scramble of that period for control of portions of its territory

Omitting an explanation of Miura's part in the murder of the Kore queen, and overlooking Hippisley's part in the formulation of the Op Door Doctrine, Dr. Akagi pays tribute to that doctrine as "the twentie century Magna Carta of China's international relations" (p 186). H treatment of the Anglo-Japanese alliance is excellent, while that of tl Russo-Japanese war is unrevealing and is marred by a return to the rol of apologist He omits all reference to the Russo-Japanese secret agree ments of 1907, 1910 and 1916, and ignores the issue of the nature of the Sino-Japanese understanding of 1905 respecting parallel railways. His chapter on the World War contributes appreciably to our knowledge, though one would particularly desire to have documented the statement that Baron Kato demanded the transfer of Kiaochow to Japan in order to forestall a secret arrangement between Germany and China to return it to the former holder (p 313)! The discussion of the 21 Demands is lacking in frankness On the other hand, Bryan's dispatch of March 13, 1915, is termed "a lengthy protest and warning" (p 458), a characteriza tion with which I agree, and the Nishihara loans are recognized as in part a product of "Japan's aggressive policy" (p 357) He ends on the propagandist note in his explanation of Manchukuo as the offspring of regionalist revolt Japan, he writes, had no plan of conquest but was drawn into the situation by China's flouting of its conciliatory policy The volume is indexed, is well bound and printed, and has 13 photographs of leading statesmen

Mr Paul's little book is well worth publication as a Phi Beta Kappa prize essay at Harvard Making reasonable allowance for a slight tend ency toward phrases with more sound than meaning, this young author deserves congratulation for maturity of thought and thoroughness of investigation His essay traces the preliminaries to the introduction and path through Congress of the provisions of the Immigration Act of 1924 by which the Japanese were placed within the "barred zone" with other Orientals He holds that the central issue was the belief of western, southern and middle-western Americans that the Japanese were un assimilable, that they threatened "national distinctiveness," and that the entrance of unanticipated thousands through the apertures in the Gentle- men's Agreement could only be stopped by Congressional action

Mr Paul weighs other influences upon the progress of the Act, being mainly concerned with the play of domestic politics upon this fateful measure He deals at length with the letter of Ambassador Hanihara in which "grave consequences" were predicted, but is able to show that even without that misunderstood effort at explanation the Act probably would

have been passed. An interesting aspect of the drama was the resentment of the House over the use of executive power to settle immigration policy.

The author seems to stress unduly the idea that the Gentlemen's Agreement involved a surrender of American jurisdiction. He states that "the Agreement was a self-denying ordinance by which the United States, out of respect for the feelings of another nation, accorded Japan a position more favored than that held by any other overseas country with which it had relations" (p. 99). Yet he notes earlier (pp 48-9, note 34) that Japanese passports were subject to visa in the regular manner Moreover, since the Agreement amounted to a general prohibition of Japanese immigrants, except for specified classes, at a time when America's gates were open wide to the peoples of Europe, it is difficult to see wherein lay America's self-denial or Japan's status of special favor.

Mr. Paul's excellent essay is well documented but is not indexed. It is provided with a bibliography.

HAROLD S QUIGLEY

WELTWIRTSCHAFTLICHES ARCHIV, Zeitschrift des Instituts fur Weltwirtschaft an der Universitat Kiel *Jena Fischer, Vol.* 46, *July* 1937

THE *Weltwirtschaftliches Archiv* devoted this whole issue to the problems of Japanese economics, the 15 articles are written mainly by Japanese scholars Though the official point of view of Japanese foreign and economic policy is stressed in some articles (e g, Yasuma Takata, "Cultural and Spiritual Presuppositions of Japan's Ascendancy," p 12), the Japanese case is on the whole not overstated, nor are the difficulties of Japanese economic development exaggerated "Wirtschaftsgesinnung" and "Racial Political Fundamental Conditions as Premises for Japanese Industrialization," by Dr J B. Kraus, Sophia University, Tokyo, (p. 45), and "The Pacific Problem and the Possibility of its Solution," by Dr H. Kamikawa, Imperial University, Tokyo (p 287), are the only articles that represent an expansionist imperialistic ideology—the first based on the assumption of a romantic Japanese spirit, which justifies everything that is considered "necessary" for Japan without regard to the interest of other nations; while the latter disguises imperialistic ambitions as demands for "justice"

The other papers however deal with the special problems of Japanese economics and are rarely at variance with the views of Western econo-

mists, except for the opinion that the conquest of Manchukuo is considered necessary by all those economists who stress the importance of "free access to raw materials" As to population, Prof Uyeda ("Population and Economics in Japan of Today," p 93) does not believe that the problems which Japan faced are different from those of Western countries, such as Germany or Great Britain, during the 19th century, but his own data indicate (p 110 11) that between 1920 and 1930 the increase in the number of employed people, two million, was not absorbed by industry and crafts but mainly by commerce and public service, because technical progress in industry made for increasing output, while the number of industrial workers increased very little between 1929 and 1934 How far the lagging behind of industrial development is due to the low income of the peasants is not discussed The hope to settle one million families in groups in Manchuria within the next twenty years is hardly shared by other students of the subject (Sh Nasu, "On Agricultural Policy," p 179)

Papers dealing with industrial development (S Shiomi, pp 118 ff, M Araki, "On Credit Policy", S Hijikata, "Public Finance and Industrialization," pp 208 ff, K Taniguchi, "Changes in Foreign Trade," pp 237 ff, Z Itani, "The Importance of Japanese-Manchurian Trade for the Industrialization of Japan," pp 251 ff) stress the point that about a quarter of the raw materials consumed in industry have to be imported, especially iron ore, lead, aluminum, raw cotton, artificial silk cellulose, and oil Industry changes its structure gradually, textiles losing their dominant position The quick growth of industry and of foreign trade—the condition of this industrial expansion—against the trend of world trade, is sufficiently emphasized, but the importance of the wage-factor is given too little weight (p 155). The danger of inflation due to the increase of public expenditures is well realized, and equally the overwhelming influence of the state and of a few gigantic institutions (banks and industrial concerns) But here, too, it is the low level of wages and of the farmers' income that has made increased expenditures for armament less dangerous and has more or less protected the price level Because Dr Araki overlooked this point he found difficulty in explaining the lack of demand for private capital (p 203) and consequently the reasons why the government could easily reduce the interest rate This policy was very similar to that followed by Germany, with the difference that wages in Germany were kept on a low level by decree, while the market-mechanism in Japan, the great labor supply and the drop of rice prices, prevented an increase of wages which otherwise

perhaps could have been expected at least in some industries. There are limits to this policy, too, which seem to have been reached (p. 205, and Hijikata, pp 232-3) Very interesting, especially for American readers, is an article on price regulation of rice (Dr. Schuettauf), which shows drastically how the government has been driven step by step in order to enforce, during an agricultural crisis with heavy imports from the colonies, a price of rice on which farmers can subsist The dilemma of a low price of rice or a decreasing real wage (the condition for expansion of exports) is clearly seen by the author From the material he presents (Chart, p 330) and from the conclusion he draws, it follows that the Japanese economic policy preferred to support the farmers, while the workers were held in check by the increase in supply on the labor market and the lagging demand for workers due to mechanization.

Inasmuch as this publication contains a number of papers by different authors, the material has not been arranged around a central point Though a careful reader will see the distribution of social power and the trend of foreign policy behind the economic data, the problems involved are hardly mentioned, and the deep-rooted conflicts of interests and ideas within Japan are passed over in silence. The reader is invited to believe that the "Japanese spirit" can explain their satisfaction with the simple standard of life, and that the whole population is glad to sacrifice its personal interests for the good of the whole (p 12). Furthermore, the aims and methods of Japanese foreign policy are taken for granted, and therefore the question of Japanese economic expansion by peaceful means is not raised To mention these points shows how difficult it is for a group of Japanese scholars, most of them in State universities, to avoid certain presuppositions, but within the limits set by circumstances, the publication is "objective" and the material presented is so rich that the reader can draw his own conclusions.

EMIL LEDERER

THE PROBLEM OF JAPAN *By Captain Malcolm D. Kennedy London James Nisbet* 1936 *pp* xvi + 287 *Illus* 15*s*

CAPTAIN KENNEDY's work must be classed as by far the ablest and most outstanding presentation of Japan's point of view; successful in particular in avoiding that blustering offensiveness so characteristic of Japan's indigenous and foreign apologists—and so damaging to its cause—even if some of his explanations by their very ingeniousness fail to carry conviction, although arousing our admiration. However, behind

the practical and topical interest of his work, which on the whole has most arrested the attention of its critics, there is another aspect to his book which tends to endow it with an importance even wider and deeper than that conferred by its place in the controversial sphere For, five years earlier, in 1930, Captain Kennedy, then *Reuters'* correspondent in Tokyo, had attempted in another book, equally sympathetic and understanding, to interpret to the Anglo-Saxon world another Japan, the Japan of the early post-war years, rapidly moving towards a social and political framework better adapted to its rapid development into an industrial country This Japan of the decade between the Washington Conference and the Manchurian incident, with its growing social tensions and party influence in politics, with its labor movement and political reactionaries, its sociological, religious and international problems, in the fulness of its aspirations and hopes, was caught for us and preserved, as in a snapshot, by Captain Kennedy on the verge of the abyss that was to engulf it

It is when read in conjunction with this former interpretation of the liberal and pacific Japan of 1930 that Captain Kennedy's later book assumes that deeper importance referred to above For it is indeed a unique and absolutely inestimable circumstance that we should thus have the two great phases of recent Japanese history presented and preserved to us by the pen of the same observer An asset more valuable not only for the peculiar opportunities open to this observer but above all because of the undivided and deep—though by no means uncritical—sympathy and faithfulness which Captain Kennedy has brought to each of these interpretations in its turn, thus giving us the dramatic change of outlook and attitude of a great nation and civilization, which lies between them, in its full, plastic, and unforgettable impressiveness

Perhaps the most significant sign of this change is the fact that Captain Kennedy's interpretation of present-day Japan should be mainly concerned with the problems of its international position, arising out of its vastly increased commitments on the Asiatic continent, as against that prevalence of internal and domestic problems so characteristic of Japan's public life in the years before the Manchurian incident. Happily Captain Kennedy has not fallen victim to the temptation of overstressing these international aspects, but on the contrary most strongly—and rightly—insists on the double-edged character of the Manchurian incident and the importance of the—comparatively speaking—peaceful, though on that account no less deep-reaching and momentous, revolution which Japan's internal life and general outlook have undergone in consequence of it.

It is these chapters (VI "The Basis of a Forward Policy," VII "Factors in Nationalism," XV "The National Spirit") which, under this aspect, constitute by far the most important and permanently valuable part of his work, by enabling us to grasp at first hand the immense change in Japan's outlook, internal as well as international, from the angle of 1930 and from that of 1935.

HERBERT ROSINSKI

PRINCE ITO. *By Kenju Hamada. Tokyo: Sanseido Co., Ltd. London: Allen & Unwin. New York: Dodd, Mead.* 1936. *pp.* 240. 7*s.* 6*d.* $2.50.

THIS authoritative monograph on the political career of Prince Hirobumi Ito, by Kenju Hamada, is issued by the Sanseido Press, a publishing company which has the backing of the Japanese Government. Thus the views expressed in the book have, presumably, a semi-official sanction. It is a serious work founded upon authentic documentary evidence, notably upon *Ito Ko Zenshu* (the complete works of Ito) and, more important still, *Ito Hirobumi Hiroku,* being a collection of Ito's official papers, photostatically reproduced under the supervision of the Prince's heir, Prince Hirokuni Ito.

Mr. Hamada's study is limited in scope. Though he traces the life history of the great maker of modern Japan from its lowly origin in a country village of Choshu to its tragic close at Harbin, he does so strictly in connection with national events. The narrative thus loses something in general interest, for no full-length portrait of the statesman is attempted, nor is any impression achieved of the movement and color of his times, the rapidly changing conditions in court and camp, the strangeness of ancient ceremonial giving place to a modern régime.

On the other hand, singleness of aim and comparative simplicity of structure make for clearness and definition, and Mr. Hamada has successfully demonstrated the evolution of the Japanese Constitution and exemplified its working during the lifetime of Ito. Upon Mr. Hamada's showing, Prince Ito was originator, prime mover and organizer of that Constitution, the mind of the body politic and the soul of the modern Empire. Naturally written from a Japanese point of view, but with great moderation and, as far as can be judged, with considered fairness and deliberate restraint, the book avoids critical recrimination and emotionalism. It attempts no ethical decision; religion and philosophy are outside its purview.

Mr. Hamada's subject falls into natural divisions. He treats first (Ito's life before the restoration of the Emperor Meiji and the final aboli tion of the Shogunate in 1868, next, of the consolidation of the ne régime after the quelling of the Satsuma Rebellion and the preparatic of the instrument of government which had its consummation in th promulgation of the constitution on the eleventh of February, 188 There follows a succinct account of Ito's share in the making of moder Japan and of his earlier policy with regard to Korea, from the first danger spot and a bone of contention The circumstances leading to th war with China in 1894 are described, as well as its results and the di positions which followed

The most interesting chapters of the book treat of Ito's unofficial bu nevertheless diplomatic visit to Russia and his interviews with the Cz. Nicholas II and his ministers, Lamsdorff and Witte Ito favored a understanding with Russia rather than the Anglo-Japanese Alliance (1902 His was a persistently peaceful policy and he wished, at almost an cost, to avoid the war for which Russia was to pay so dearly in nation. prestige, and the newly consolidated empire so much in money and mer

From the close of the Russo-Japanese War until his own death b assassination at the hands of a Korean agitator, Ito devoted his energ as Resident General in Korea, to reform and the establishment of reasonable and stable government, a hard and thankless task in the pe formance of which he was only partially successful His long and hono able career came to an end with his life on the twenty-sixth of Octob 1909, in the sixty-ninth year of his age

In his comparatively short work, Mr Hamada has shown the rise of strong character during a period of ferment Circumstances may hav called forth and fostered the peculiar genius of Prince Ito It is certai that he, in his turn, directed the personalities of his entourage, inspire their energies and created their point of view By devotion, by the ded cation of his life and gifts, by unceasing labor and untiring watchfulne he deserved well of the country he helped to remake.

GRACE JAMES

OASIS INTERDITES DE PEKIN AU CACHEMIRE *By Ella Maillar Paris Grasset* (FORBIDDEN JOURNEY *London Heinemann Ne York Holt & Co*) 1937 *pp* 300 *Illustrations and Map* $3 00.

ELLA MAILLART's *Turkistan Solo*, published several years ag showed her to be an exceptional traveler—intelligently courageous, whic

is different from being merely adventurous, and an honest observer Her journey with Peter Fleming from Peiping through the Tsaidam region of Tibet to Chinese Turkistan and thence to India is even more interesting than her account of Soviet Central Asia Her two books, taken together, provide an account of revolutionary and non-revolutionary Central Asia that is of unusual interest and value

Leaving Peiping, Miss Maillart and her companion reached Sian and traveled by bus to Lanchow, and then by road to Sining. There they attached themselves to a Mongol caravan going to the Tsaidam country Eventually they went on to the Taijinar Mongols at the extreme end of the Tsaidam, and then with the aid of a solitary Russian trader made the most difficult stage of the journey, to the first Turki hunters on the vague border of Chinese Turkistan With guides from this encampment they got down to the first Turkistan oasis, where by a mixture of bluff and guilelessness and good luck they were admitted by the Tungan Moslem masters of that part of the world The rest of the narrative describes the southern oases of Chinese Turkistan and the high mountain crossing to India.

The summary does not do justice to the tale The journey, apparently casual, was carried out with great skill, in spite of all political hazards It has been well described already by Peter Fleming,[1] but his account is incomplete without Maillart's There is as much difference in their writing as in their personalities Perhaps even more than Fleming, Maillart both represents her generation and stands out above its common exponents Far from exploiting the "perils of a woman," her lack of showiness is almost morbid, but she has all the separate qualities of excellence—physical joy in the physical hardships of wild and unknown country, a gift for solitude that makes her always distinct from her companions; humor, intellectual curiosity.

It is only in the intellectual curiosity that the journey was a bit too much for her. Lack of language kept both her and Fleming from seeing far into the complex life of Chinese Turkistan. The mystery of its wars and the political turmoil of the last six or seven years, the wanderings of armies, the conflicts of peoples and cultures, remains a mystery.

But Ella Maillart—it is she who matters, though her capital I's are few The picture of herself is better than the many superb photographs: a woman of the twentieth century, with a nostalgia for the primitive; always hungry for new places and new people, but sufficient to herself

O. L.

[1] See review of *News From Tartary*, PACIFIC AFFAIRS, Vol IX, No 4, Dec 1936

AMERICAN FOREIGN POLICY IN CANADIAN RELATIONS. *By James Morton Callahan. New York The Macmillan Company.* 1937 *pp* x + 576 $4.00.

MR CALLAHAN has written a very careful, very restrained, extremely factual survey of the questions arising between Canada and the United States since the outbreak of the American Revolution. It is not the most exciting topic in the world, and Mr Callahan's treatment does little to make it either vivid or entertaining. He offers a record of the course of events, not an interpretative study His own views are kept scrupulously in the background, and while he occasionally allows them to appear by implication—his account of the Alaskan boundary controversy, for instance, shows Roosevelt in a frame of mild reasonableness which is scarcely recognizable—he almost entirely avoids any direct comment of his own The nearest he comes to it is an occasional exclamation mark in brackets—a mild enough indulgence, considering some of the instances in which he permits it to himself.

But if the volume can hardly be suggested as light reading, it is a most useful book of reference on the major items in American-Canadian relations It is written in the first instance from the point of view of American policy, but it shows a good understanding of the motivating forces on the Canadian side It is based largely on contemporary documents and publications, and if his references show a certain neglect of more recent scholarship, especially in Canadian history, the fault is less serious than it might have been in one who was more concerned with the interpretative side of his subject

There are, however, one or two implications which emerge quite clearly from this factual account It shows the strain imposed on diplomacy by the inability of Canada and the United States, in the period after Confederation, to converse except through the medium of British representatives It shows how British policy often proved a stumbling block to harmonious relations between the two neighboring countries And it shows a steady dwindling of the seriousness of the controversies as Canada gradually approached a full control of its own external relations Pelagic sealing and the sockeye salmon and the St Lawrence waterway are by no means unimportant matters. But two nations who have no more serious problems than these to resolve between them are hardly likely to be protagonists in disturbing the peace of the world.

EDGAR MCINNIS

WHY WE WENT TO WAR *By Newton D. Baker. New York. Harper & Brothers.* 1936. *pp.* vi + 199. $1.50.

IN MR BAKER'S view, as here set out, the entry of the United States into the World War in 1917 was occasioned by Germany's submarine policy, and by nothing else. President Wilson, despite misunderstandings of his position by both sides, had held firmly to orthodox neutrality His motive was not merely to save the American people the sufferings and losses of war. He foresaw also for his Government a lofty role as the eventual mediator and peacemaker But this would only become possible if his own hands were manifestly clean of anything like partiality towards either of the combatants.

In December 1916, partly on the strength of representations from Count Bernstorff to Colonel House, he judged the time ripe His first step was his interrogatory to the combatants, his second, after he had received their replies, was his address (January 22, 1917) to the Senate. At that moment he seemed on the point of reaping his reward But the German Government already on January 9 had decided for unrestricted submarine warfare Bernstorff himself was not notified of this till January 19 He saw at once that it put an end to mediation, and could not fail to give rise to a *casus belli* He cabled to his Government the same day "War is inevitable in view of the proposed action."

Mr Baker is at pains to show, by a close and very clear analysis of previous negotiations between the United States and the combatants, why Bernstorff was right In estimating the factors that influenced President Wilson, he had, of course, the advantage of having seen the President at very close quarters during the period (1916-21) when he himself was Secretary of War He says, for instance, that to his personal knowledge the theory that the United States Government was pushed into war by the bankers who had lent money to the Allies is quite absurd in view of Mr Wilson's hostility to the bankers As to the other theory, which attributes a similar role to the munitions makers, he is "perhaps the hardest person in the United States to impress with the idea that munitions makers had any influence upon the American decision," because in his official capacity he found how insignificant the American munitions industry was "When we began the actual mobilization of material for our participation in the World War, there simply were no American munitions makers."

I think the ex-Secretary of War proves his case. But the verdict to be passed in consequence on Mr. Wilson's statesmanship may still differ

according to the juryman's point of view The powerful body of opinion in the United States, which shares Senator Nye's ideas of what America's future neutrality policy should be, ought to recognize—if it is capable of being convinced by evidence—that the conception of what happened in 1916-17, on which those ideas have been mainly based, is in fact a mis conception In this way Mr Baker's book makes a strong argument for going back from the newer interpretations of neutrality to the old On the other hand, a British or French reader may find the Wilsonian state-craft less satisfactory He will say that Mr. Wilson's lofty ambition to mediate could never have been entertained, had the President realized how incapable Prussian militarism then was of honestly and permanently accepting any middle solutions He will feel that the really dominant fact was not German submarine policy, but German general policy—the fact that, if Kaiserism had won the war, two of America's most vital interests, democracy and the Monroe Doctrine, were doomed to destruction. That a nation so mortally threatened should fold its arms, and only unfold them because of specific wrongs to a few hundred individuals, may have been the only course politically practical, in view of the racial and political cross currents of American opinion Yet if the Prussian militarists had not launched the unrestricted submarine campaign, and had won the war without it and without American intervention, it is not easy to limit the injury that would have accrued for the United States

R C K Ensor
Oxford, February 1937

A History of the Modern and Contemporary Far East A Survey of Western Contacts with Eastern Asia during the Nineteenth and Twentieth Centuries *By Paul H Clyde New York Prentice-Hall* 1937 *pp* xix + 858 $6 00

Dr Clyde has added another to our already fairly long list of text books on recent Far Eastern history Its title is deceptive It professes to be "a history of the modern and contemporary Far East" Yet it deals almost exclusively with political history and diplomacy and has little or nothing to say of those other phases of the story, such as developments in economic life, in education and thought, and in religion, which have so much to do with shaping the peoples of that region Its subtitle is also misleading The book is not in any inclusive sense a "survey of Western contacts with Eastern Asia during the nineteenth and twentieth centuries," for it largely or entirely ignores such phases of those contacts as

the migration of students from these lands to the Occident, the effects of these students upon their own peoples on their return, the introduction of Western subjects of study and of Western forms of schools, and the extensive Christian missionary enterprise. Even the introduction of the machine—of Western provenance—to these lands and its revolutionary effects on life receive only incidental mention In his introduction Dr. Clyde recognizes the incompleteness of his survey and declares his intention to deal primarily with "the impact of Western imperialism upon the Far East in the nineteenth century and . . . the challenge to Western imperialism brought about by the rise of Japan . in the twentieth century" Yet he deals almost exclusively with the political side of that imperialism, and even there neglects part of his story. For instance, one of the most interesting phases of Western imperialism, largely political in aspect, the development of the Maritime Customs service of China, is practically ignored. An accurate title would be "a partial account of the political and inter-governmental history of the Far East in recent times"

Even within this more limited range the author's limitations and bias are obvious He makes little or no effort to fit his story into the scene of Western political and diplomatic history of the period—without which it cannot be really understood Dr Clyde understands Japan much better than he does China Possibly for that reason, he becomes at times an apologist for Japan and has a thinly veiled disdain for the Chinese He is critical of the Chinese and tends to throw a favorable light on Japan Perhaps, however, it is just as well that a text-book designed primarily for Americans, most of whom are anti-Japanese and pro-Chinese, and are abysmally ignorant of Japan, should say whatever can be said for Japan

Within these limitations, Dr Clyde has given us what in the main is an excellent survey. Here and there are mistakes of detail which are almost inevitable in a work of this scope and which can be readily corrected in a later edition On page 33 the account of the early history of China needs to be completely rewritten in the light of the most recent scholarship It is doubtful whether Taoism (pp 38, 39) is the oldest religion of China On page 50 the statement that "in China education by means of formal schools was not regarded as a function or duty of government" is not, strictly speaking, true. A fairly extensive system of secondary and higher schools was subsidized directly or indirectly by the state It is doubtful whether (p 173) the eighteenth and early nineteenth century Russian mission in Peking should be denominated "ecclesiastical." While its membership was largely ecclesiastical, its purpose seems to have been more commercial and diplomatic than religious. One need only

the problems involved in access to raw materials It is reiterated that the solution of many raw material problems lies beyond the raw materials themselves—in a lessening of tension and in a reduction of economic nationalism, itself partly the product of that tension together with economic depression

WILFRED SMITH

LIMITS OF LAND SETTLEMENT *Prepared under the direction of Isaiah Bowman* (Review limited to three selected chapters on Far Eastern Migration "The Mainsprings of Asiatic Migration," by Owen Lattimore, "The Present Prospects of Chinese Emigration," by Chen Han seng, "Japanese Migration and Colonization," by Karl J Pelzer) *New York Council on Foreign Relations* 1937 *pp* 380 $3 50

These three chapters on the migration of Far Eastern peoples make a valuable addition to our knowledge and understanding of an extremely important subject But the reader must study them with discernment if he is not to be confused by the difference of approach and interpretation as between Mr Owen Lattimore and Mr Chen on the one hand and Mr Pelzer on the other The two former writers find virtually the whole explanation of the migration phenomena which they analyze in economic and political causes, and Mr Lattimore is at pains to rule out the significance of the climatic factor Mr Pelzer, on the contrary, writing essentially as a geographer, works out in considerable detail the influence of climate and diet on Japanese emigration, although he by no means underrates the importance of other factors Hence a number of contradictory statements For example, in support of his argument that climate has little or no effect upon migration, Mr Lattimore (on p 120) remarks that "The Japanese, as fishermen, are as efficient in the cold and stormy seas off Siberia and Kamchatka as they are in the warm seas of the Pacific Islands and off Australia," while Mr Pelzer tells us (pp 163 4) that "The fact that Japanese fishermen are active in northern waters has no bearing upon the relation of the climatic factor to the migration of Japanese farmers who for psychological reasons are slow in adaptation The Japanese fishing industry off Kamchatka and the coast between Vladivostok and Nikolaevsk is entirely seasonal The fishermen come in the spring and leave in the fall, so that they are not exposed to the severe winters No change in diet is necessary because they bring with them the food to which they are accustomed."

The chief criticism of Mr. Lattimore's chapter is that it is too much a "single track" argument, but, subject to this limitation, it is an important and impressive contribution. His main theme is that the character and extent of Asiatic migration have been and are controlled by "the vigor and adaptability of capital enterprise. Where capital is able or willing to penetrate, population will follow . . . not because it finds the climate or the working conditions that it prefers, but because it has itself been selected as suitable raw material by those who control the capital." Thus for many centuries Chinese migration was limited by the controllers of China's grain economy, i e , by the dominant landed interests. Only those parts were opened for settlement which could contribute to the strengthening of this economy, and in this he finds the reason not only for the failure to colonize the neighboring steppeland but for the much debated neglect of the mountainous regions of China Proper With the advent of fluid Western capital, invested in railways and steamships, the range and character of migration have been widened, as the northward movement to the Manchurian grasslands and the southward stream to the plantations of Malaysia illustrate More than ever is Far Eastern migration entangled with politics, and the emigrants pawns in the hands of the controllers of capital The commercial imperialism of Japan "demands the subordination of Japanese agriculture to industry" and "the condition of the Chinese peasant in Manchuria must remain even lower than that of the Japanese peasant in Japan" lest the difference in standard should occasion trouble It is a rather grim and sinister story, and Communists in search of examples of exploitation will find abundant ammunition in Mr Lattimore's article

The theme and scope of Mr. Chen's article on "The Present Prospects of Chinese Emigration" are essentially similar to those of Mr. Lattimore's The general purport is to show that the prospects are distinctly unfavorable The only important fields for Chinese immigration in recent years—Manchuria in the north, Siam, Malaya and the Dutch East Indies in the south—are being increasingly hedged with restrictions; in Malaya Javanese labor is tending to replace Chinese labor in the mines, and Japanese store-keepers, who are often agents and middlemen of highly organized firms, are driving out the old-fashioned Chinese merchants This deterioration in the position of the overseas Chinese is reflected in the marked decrease of remittances to and the increasing economic depression in the home regions of Kuangtung and Fukien

Mr Karl Pelzer's survey of "Japanese Migration and Colonization" is much wider and more comprehensive in scope and presents a very clear

picture both of the present position and of future possibilities. Unlike the other two authors, he attaches much importance to the climatic factors and marshals a great deal of evidence to support his contention that the biological antecedents of the Japanese and their traditional mode of life greatly handicap them for permanent occupation of lands with severe winter climates such as Manchuria, but make them excellent subtropical and tropical colonists if the economic and political conditions are satisfactory He does not, however, apply any single formula, but submits the whole field of Japanese colonization to a full analysis, bringing out the causes of success or failure in each case The successful instances, which include the "Mandated" Pacific Islands, the Davao region of Mindanao (Philippines), Southeastern Brazil, with a promising beginning also in the provinces of Para and Amazonas, are those which combine suitability of climate and diet with a careful company organization, an assured market and the prospect for the colonists of settling down on their own holdings under conditions not too dissimilar to those of their homeland *In the light of these experiments he then makes a survey of the possi*bilities of the Philippines, Borneo, New Guinea and the Pacific Islands and concludes that not only is "the development of vast unused areas of the Pacific" by Asiatic labor practicable but it would do much to alleviate the population problems of the Asiatic countries, particularly Japan "Political obstruction has so far been the main obstacle to Japan's political control," and, in his view, one of the major causes of friction is "the forced upkeep of the status quo of migration laws" He asks for frank recognition of the fact that Polynesian, Melanesian and Micronesian labor is essentially unsuited to economic development, which must depend upon imported Asiatic labor. Whether, under such conditions, the maintenance of the existing native communities could be adequately safeguarded is a question which he hardly discusses The article as a whole is a well balanced and thorough piece of work, throwing new light on a subject which greatly needed illumination Its value is increased by some very useful maps

P M Roxby
Liverpool University, December 1937

The Private Manufacture of Armaments, Vol i *By Philip Noel-Baker. New York Oxford* 1937 *pp* 574 $3 75.

Since the close of the World War, the private manufacture and sale of armaments have been subject to much discussion, and have

been officially investigated both in the United States and Great Britain. Of the many resulting books and pamphlets, none so completely fulfills its purpose as this closely-documented study by an active participant in international affairs and a student of disarmament since the Paris Peace Conference.

Mr. Noel-Baker discusses the general nature of the problem, the "grave objections" to private armament manufacture, and the historical process of munitions activities. Beginning with the "paradox of the existing system," he places responsibility for widespread armament activity on the governments who make it possible His "grave objections" are the direct solicitation of arms sales before war breaks out; bribery of government officials to foster sales, the transfer of retired military and civil officials to the service of armament firms, armament sales to potential enemies, the open evasion of international disarmament obligations by the governments who made them, the control of the press by armament firms, and the anti-social methods used by these firms to promote their activities Following this, he treats the historical process of armament activity, portraying the activity of "vested interests" in the prelude to the World War, in the war itself, and in events since the war There is nothing new in the argument that the private manufacture of armaments:

> is an important factor in preventing the establishment of stable conditions of peace, that this factor can be most effectively removed by the total Abolition of the present system, that Abolition can be carried through without any danger to national defense; that it should, if possible, be effected simultaneously by all the arms-producing countries under an international convention.

The value of the book lies in the hundred of exhibits, from reports of the American and British investigations, contemporary newspapers and magazines, and the publications of various governments and armament firms, which show the extent of private armament activity.

To the layman, it is revealing to see the everyday reports published in the press woven into a unified story. It is all the more ghastly to know that these reports were passed over as ordinary happenings in the news of the day Few people realize, for example, that during the World War the great industrial district of Briey and Thionville on the Franco-German border was immune from attack because French aircraft "received instructions to respect the blast-furnaces which were smelting the enemy's steel"; that while Secretary Stimson was attempting to effect a settlement of the Sino-Japanese dispute, American businessmen

had sold to Japan war supplies valued at $181,000,000, and that the Chinese arms embargo of 1919-29 was an embargo in name only. Yet the facts were in the press This indictment of armament manufacturers by their own words discloses the moral and political aspects of an international industry It is to be followed by a volume discussing the practical, economic phases of the problem "Each volume," the author states, "is so written as to constitute a complete book . . the two together, it is hoped, will be a systematic and reasonably complete examination of all the main problems involved in the production of Arms" If the second volume parallels the first, the complete study will make it exceedingly difficult to accept the present system of armament manufacture as the most satisfactory means of providing the instruments of national defense.

RUSSELL E HALL

ARMAMENTS YEAR-BOOK, 1936 *Geneva League of Nations New York Columbia University Press* 1936 *pp* 1129 $6 25

THIS is the twelfth annual edition issued by the Disarmament Section of the League of Nations Secretariat It contains a wealth of information concerning the peacetime military and naval strength of 64 countries Detailed statistics of army, navy, and air force organization, together with budgetary appropriations for national defense, from official sources, have been revised, as far as possible, to June 1936 An annex gives the texts of major arms limitation treaties since 1815 To avoid duplication, information on raw materials and other products affecting national defense, heretofore included, has been eliminated from the survey and can now be found in the *Statistical Year Book of the League of Nations* or the Secretariat's *International Trade Statistics* In spite of this omission, the volume is a valuable reference book for the student of contemporary international developments

RUSSELL E HALL

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BOOKS REVIEWED IN THIS ISSUE

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MEXICO AND THE PACIFIC

D. Graham Hutton

IN THE Pacific area, Mexico will eventually command a most important strategic and economic position. Mexico has two widely different coastlines: that on the Atlantic Gulf is sheltered behind concentric arcs of islands, belonging to most of the great colonial powers of the old and new worlds; that on the Pacific is in comparison open and vulnerable. Both coasts offer notable deep-water harbors, but those on the Pacific are better and more numerous. Mexico's great natural resources are widely dispersed. Its territory narrows down steadily from the frontier with the United States in the north to the rich deposits of the Isthmus of Tehuantepec, which continues into Guatemala, Honduras, Salvador, Nicaragua, and Costa Rica in the south, and finally becomes the Isthmus of Panama. Thus, Mexico's position is crucial, from its territory not only the existent Panama Canal approaches, but also those of the mooted Nicaraguan Canal, as well as the landward and seaward communications between both the Americas and between the eastern and western hemispheres, can be threatened.

But even these factors are not the most intriguing in the present picture of Pacific relations—at least, not as far as Mexico itself is concerned. Political, economic and racial influences have slowly but remorselessly been maneuvering Mexico into a dilemma not of its own choosing. These influences are many and varied; they arise as much from Mexico's domestic affairs as from its diplomatic, economic and geographical relations with neighboring states facing the Pacific. Of these latter, of course, relations with the United States are paramount. If Mexico's position and importance in the whole Pacific complex have not hitherto received enough public scrutiny, it is not because they are insignificant nor because they are incapable of becoming more decisive in future. Quite the contrary. The reason is to be sought rather in the extraordinarily involved nature of the factors which determine Mexico's position and importance in that complex.

Internally, Mexico has not yet solved the legacy of political problems bequeathed to it by the disintegration of domestic politics at the close of Porfirio Diaz's long dictatorship. It is now nearly 30 years since the collapse of that system in a welter of clashes between ambitious claimants to Diaz's mantle The people of Mexico are sharply divided into three racial groups about one half to two thirds are pure Indian, about one quarter to a third are *mestizos*; and a very small minority are practically pure Spanish or European As piring *politicos*, therefore, must work on the Indian majority—the least educated, the most passive in philosophy and trade, and the most difficult to organize or stimulate The active politicians are either *mestizos* or Spanish, they have to deal with a people and an apparatus of state in which corruption is widespread, and in which the instruments of government and administration are few. These instruments in practice are the army, the underpaid and inefficient civil service (therefore obedient to the governors of the day), and the embryonic trade unions

The successors of Diaz have taken over one cardinal aim in his program to make Mexico a predominantly Indian state, independent of the economic and political doctrines emanating from North America and Europe, and drawing its energies from its Indian majority During the last 25 to 30 years, many temporary political leaders have been seduced from that aim by the sweets of office, and let it be admitted by the material benefits which a close collaboration with foreign enterprises could command. The expected improvements in the wellbeing of the Indian masses have not materialized at least, not until General Cárdenas ousted General Calles, at the end of the latter's decade of power, in 1934

General Cárdenas at once proceeded to realize parts of the long-heralded Six year Plan, those applying to agrarian reform and foreign enterprises. Since 1934, he has liquidated the conflict with the Catholic Church by sticking to the main principle of subordinating the Church to the State, but permitting the barest trace of local liberty to the cult. He has attacked both foreign and bourgeois Mexican *hacendados* in his effort to redistribute lands to the *ejidos*, the little village communities, heirs to the Aztec *calpulli* described by Prescott Compensation to the former large landowners, though

given in bonds (where it was permitted at all), has not been paid. The Budget redirected funds to aid the *ejidatarios* from greatly increased taxes; education and communications were greatly advanced; and the Cárdenas Government ranged itself solidly behind the Mexican trade unions in their demands from foreign industrialists operating as Mexican corporations in Mexico. The armed forces have been greatly favored; so have the police.

Outside Mexico, these things seemed to be Communistic. It is tempting to deduce from the Six-year Plan and the strongly pro-labor nature of the Cárdenas regime the establishment of the first Socialist or Communist state in the two Americas. But, in my opinion, the aims of the regime are one thing; the framework for their accomplishment another. The framework is the limiting factor. The resultant situation in Mexico's internal and external politics is today anomalous. Internally, the Cardenas regime has sought rather to sit on the fence between an out-and-out proletarian dictatorship—which, as the only organized proletariat is industrial, would shift all burdens on to the Indian agriculturist—and the long familiar system of bourgeois government in the hands of large landowners, big business, and their tools in the armed forces or the civil service. The trade unions have recently tended to split into an extreme group and a moderate group; the agrarian reforms have drastically reduced yields from the land, and Indian agriculturists have even paraded crying, "Give us back our *padrones*." The armed forces still nourish ambitious leaders, bent on assuming power for the fruits thereof. The police, judiciary, and civil services cannot yet guarantee law, order, and impartial justice of a federal kind. Finally, the Achilles heel of any Mexican regime still protrudes: the lack of communications in a big country, so strongly regionalized. The upshot of all this has been that the Cárdenas regime is assailed by economic problems due to overacceleration of necessary reforms, often in questionable directions. What may happen is a guess; but it is at least as likely to be in a Fascist as in a Communist direction. Inasmuch as, politically and economically, either happening would tend to produce the same changes in Mexico's social, economic and political apparatus, the country's foreign policy becomes especially important.

Internally, Mexico has not yet solved the legacy of political problems bequeathed to it by the disintegration of domestic politics at the close of Porfirio Diaz's long dictatorship. It is now nearly 30 years since the collapse of that system in a welter of clashes between ambitious claimants to Diaz's mantle. The people of Mexico are sharply divided into three racial groups: about one half to two thirds are pure Indian, about one quarter to a third are *mestizos*; and a very small minority are practically pure Spanish or European. Aspiring *politicos*, therefore, must work on the Indian majority—the least educated, the most passive in philosophy and trade, and the most difficult to organize or stimulate. The active politicians are either *mestizos* or Spanish; they have to deal with a people and an apparatus of state in which corruption is widespread, and in which the instruments of government and administration are few. These instruments in practice are the army, the underpaid and inefficient civil service (therefore obedient to the governors of the day), and the embryonic trade unions.

The successors of Diaz have taken over one cardinal aim in his program: to make Mexico a predominantly Indian state, independent of the economic and political doctrines emanating from North America and Europe, and drawing its energies from its Indian majority. During the last 25 to 30 years, many temporary political leaders have been seduced from that aim by the sweets of office, and—let it be admitted—by the material benefits which a close collaboration with foreign enterprises could command. The expected improvements in the wellbeing of the Indian masses have not materialized—at least, not until General Cárdenas ousted General Calles, at the end of the latter's decade of power, in 1934.

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There has never been any love lost between Mexicans and Japanese. The immigration laws in Mexico were stiff, even by prewar standards; today they are virtually cast-iron. Even British tourists are expected to deposit at the frontier, as an assurance they will leave again, 500 pesos in bond - a sum equivalent to about £30 sterling, or $150. These laws fall heaviest on Orientals; and even on the Pacific coast of Mexico it is a surprise to see a Japanese or Chinese. The Mexicans' attitude to the rebellion in Spain is dictated almost entirely by class and race, which means that the overwhelming bulk of the population, even of the better-educated half, is anti-Fascist in sentiment. This in turn reinforces the natural antipathy to the Japanese. The Italian aggression against a "lesser breed" in Ethiopia, and the Italian intervention against the Spanish workers, with German aid, have all tended to make Mexicans support the Soviet Union, China, Ethiopia, and the Spanish Republic in foreign policy. But this support, though frequently of a material kind, carries no guarantee that Mexico itself is irretrievably headed for a Socialist state, in the Soviet sense of the phrase. Nor, *a fortiori*, should it be taken to mean that Mexico's foreign policy under President Cardenas and his associates, will embrace a staunch co-operation with, say, the United States and Great Britain in a combined democratic stand against Fascist-minded power-politicians and aggressors.

WE ENCOUNTER here another limiting factor. Mexico remains scared of *gringo* commercial and financial hegemony, especially in the Americas. While Mexicans view with suspicion and acute distaste the Vargas coup in Brazil, and the evident signs of Italian and German economic and ideological penetration of other Central and South American republics, they view with equal suspicion and distaste the operations of *Norteamericano*, British, Dutch, French and the other democracies' businessmen and their enterprises in Mexico. For example, take the current war-to-the-death between the Mexican Government and the foreign-owned oil companies registered as Mexican corporations. The Cárdenas regime needs funds badly; it also needs to assure the masses, both workers and agriculturists, that it can achieve its ready promises. It has pushed

its legalized demands on the oil companies' earnings—demands for pensions, large compensations for dismissals, sickness benefits and frequently increasing wage scales—to a point where these foreign-owned companies literally cannot both pay their way and provide, actuarially and soundly, for the vast contingent liabilities of this kind which social legislation has suspended above their necks. Those liabilities will fall in for payment during the next few years. If the American and British-Dutch companies, in particular, had thus cleverly been proved insolvent, they could have been taken over by the Government at a nominal valuation.

Whether the seizure of their leases and fields had come this way or by means of the expropriation decree which followed the companies' defiance of the recent Supreme Court's ruling, the Cárdenas regime—or what succeeds it—may be forced, against its will, to bring in the Germans, Italians and Japanese as new concessionaires. The Soviet Union needs no oil, but the three Fascist powers need it badly. Mexico has no technicians. Having ousted the financially stronger businessmen of the democratic powers, the Mexican Government could drive a very good bargain, at least on paper, with representatives of the totalitarian Fascist states. This operation could easily be "put over" on the inarticulate Mexican masses, and even the strongest political sympathies and convictions among Mexico's leaders have regularly in the past been known to undergo remarkable modifications in practice when it came to a question of "negotiation." Indeed, rumors and reports, quite credibly attested, have long been circulating to the effect that concessions to Japan, Germany and Italy in one mineral field after another were in prospect. It even became necessary, at the end of last February, for the Mexican Embassy at Washington, D. C., expressly to issue a denial that the Mexican Government was offering the Japanese a mineral concession on the Pacific coast, with rights to exploit land around the important harbor of Mazatlán and to use the harbor itself. Since then despite President Cárdenas's avowal that Mexico remains in sympathy with the democracies, it is reported that his expropriation of the oil concerns has driven him to envisage selling oil to Japan, Germany and Italy.

The democratic and socialistically-minded Danes have no love for

the Nazis; nor have the Dutch; nor have the Belgians; nor have the Swiss; nor, for that matter, have the pro-Soviet Turks. But each of these states has been driven to conclude economic agreements, many of them including rights to exploit natural resources or undertake public works, with Nazi Germany. It would not be strange, and, in view of Mexico's mistrust of and challenge to the financial power of the United States and Britain, it could even be called logical, if President Cárdenas or his eventual successors decided to borrow the Anglo-Saxon precept of *divide et impera*, by driving out one or two large economic Satans and calling in three or four smaller economic Beelzebubs.

Nevertheless, it is, for Mexico, an extremely hazardous course. The very threat of it has cemented Anglo-American interests in Mexico already—a unity of interest which had never occurred once during the last 30 years. To this small extent, Mexico may succeed only in destroying, as far as Mexico itself is concerned, the application of the U. S. Monroe Doctrine, and if that doctrine be jeopardized in practice as far as Anglo-American cooperation is concerned, it would even more necessarily be invoked and practiced if—let us suppose—a Mexican Government, by its own hand, brought within its own frontiers active exponents of the so-called "anti-Communism" which makes of Germany, Italy and Japan one Fascist organization, in the Far East as in Europe. Hitler has already, in his recent Reichstag speech, declared that Germany stands with Japan, and against China. To what deductions and actions would the United States and Britain, supported by the most influential of the other democracies, be urged, if Mexico, by its own acts, deliberately declared a preference for Fascist exploitation? The picture begins to look as ominous on that side of Mexico which faces the old world as on that side which faces the Far East. Yet it is no fanciful picture. It has been clearly limned within the last few weeks, and without any pressure from without Mexico. For the pressure of events and problems within Mexico is forcing an alignment not entirely of the Mexican people's choosing. That is the dilemma mentioned at the outset of this article.

Mexicans themselves are not aware of the need to adopt any clear-cut policy towards the problems of the Pacific area, or those

of the old world. Even more than the United States, Mexican Governments can count on remoteness from either theater to postpone any real decisions of high policy in that connection. But, unhappily for Mexico, its relations with its great neighbor on the north, its internal developments just described, and its inability to withdraw from the whole Latin-American diplomatic field, combine to accelerate the need for some decision. The making of a Pan-American policy towards problems in the Pacific, e.g., on the basis of the Montevideo Conference, would turn to a large extent on the Mexican Government's attitude and action. The United States' attitude, dictated by considerations of naval strategy and maritime connections with the western coasts of North America, would prove crucial for any Mexican Government. Mere non-participation in Pan American policy would place Mexico at grave disadvantage in dealing with both its northern neighbor and those smaller neighbors to the south, with which its political and commercial relations are today not of the easiest. It is doubtful if the general dislike of *gringos* and the natural fears of "dollar diplomacy" in all the Central American republics would, in anything like an open rift between Mexico and the United States, automatically range even the majority of these republics behind Mexico. Their rulers have more than an inkling of the real issues which may come to the fore in the Pacific; they dislike the brand of collectivism which the Cárdenas regime has tried to introduce into Mexico; they fear, naturally, an Indian racial and political movement, of which there are as yet few signs, but which might easily sweep Central America if—by either the success *or the failure* of the Cárdenas programs in Mexico the long-suppressed, inarticulate Mexican-Indian masses suddenly find voice and leadership. Thus, Central America, and its biggest element, Mexico, might easily be precipitated into dissension over both internal and external policy, in which racial differences, social and economic classes and interests, and relations with the United States would all be playing for high stakes.

I HAVE tried so far to show that Mexican foreign policy, especially as affecting the Pacific sphere, has not yet crystallized; that it has failed to do so because of peculiar domestic factors, because of

Mexico's peculiar geographical situation, because of its peculiar relationships with other states—e.g., with the United States, with the Fascist great powers, and with its small neighbors—and, finally, because of the lack of a pressing need to define such a foreign policy quickly. But I have also tried to uncover certain current influences in Mexican politics and economics which, to my mind, are forcing the ultimate issue, the dilemma, upon the present or any succeeding Mexican Government. It would therefore not be logical to leave the subject without evaluating the relative strength of these influences upon, let us say, any conceivable group of Mexican political leaders. It is on such a basis that this article must conclude.

Mexico is unfortunate in that almost its entire foreign policy must be conditioned by those of its neighbors and chief clients. And in this respect, though not unique, its economic development hitherto has left it little choice but to achieve one of its Government's aims at the cost of failing to achieve at least two or three others, equally dear to that Government. For instance, the Cárdenas regime has exhausted in four years the immediately disposible capital of the richer Mexicans and foreigners, has reinforced this by a large-scale capital flight, has lost a great deal of money in collectivist agricultural experiments (e.g., that of the Laguna for cotton), and reduced the taxable capacity of the entire nation. This limits the Government's possible area of achievement elsewhere in the social sphere, as for instance in education. Apart from the United States' official program for purchasing newly mined silver, apart from the foreign-owned oil concerns, no Mexican Government can lay hands on ready funds for meeting the country's immediate needs. These needs are now not only for capital goods, machinery for development, etc., but for imports of foodstuffs to make good the surprisingly large deficiencies in domestic yields of essential products.

Thus, willy-nilly, the British and United States authorities are forced to adopt a policy towards Mexican events, by a negative process of reacting to positive Mexican actions. Without the United States silver buying, renewed month by month, the Mexican Treasury will soon be as bankrupt as it was in the last days of 1937 before the United States Treasury renewed the expiring silver agreement. The United States Treasury has long professed that economic decisions

are taken with no regard to political effects; but this has not prevented the State Department from abruptly terminating the purchase of Mexico's silver. The already far-gone expropriation of lands and industries in Mexico, owned by foreigners, may have been legal and warranted by past abuses; but what is now afoot and what may yet develop in Mexico are straws in a wind that may destroy the entire fabric of Mexican-United States relations. And this may happen despite the most earnest wishes of the Administration and State Department at Washington to divorce economics from politics in Mexican affairs, and to be "the good neighbor." It takes two to make neighbors, as to make agreements, or peace.

In the last analysis, much more than mere Mexican Government policy is involved in determining Mexico's foreign policy, especially as that policy may affect the Pacific. Despite the "good neighbor" policy of the United States, despite Montevideo, despite the natural solidarity of the two Americas and their republics under the Monroe Doctrine, the little straw in the wind down in Brazil has already flown by; and the whirlwind is now very near the United States. What does it matter from what direction the whirlwind may come in Mexico— from Far East or Europe, from within or without Mexico—or to what point it may blow? The Monroe Doctrine may have to be recast or altogether abandoned—or upheld by force. Latin America may dissolve into conflicting groups of republics with opposite sympathies. The old world may be drawn into the Mexican picture on both sides. Britain, Germany, Italy, perhaps the Soviet Union, conflicting in interests on Mexico's Atlantic side, and the United States, Japan—and perhaps Britain again on Mexico's Pacific coasts. Whether these powers, their interests and their political systems clash in and around Mexico or not, does not finally lie with them to determine. That is the irony. It lies with Mexico itself, and with its adroitly maneuvering *politicos*. Mexico may be greatly helped, and greatly hindered, by judicious diplomacy; but that its present political, social and economic circumstances will permit its leaders to push boldly ahead, without any hindrances from within or outside, is unthinkable.

Therefore, willy-nilly, the great powers of the world are all—democracies and dictatorships alike—bound to adopt strong and clear

attitudes towards the problems raised by Mexican acts. The United States has already reacted, strongly and positively. These attitudes will be both of intervention and of disinterestedness, both of assistance and of exploitation Domestic discontents, which are less and less due to foreigners, are steadily pushing Mexico into the arena of the world's great powers and the current tug of war there It is, indeed, precisely because domestic problems are pushing Mexico from behind that the great powers of the world—as much in Europe and America as in the Far East—cannot simply adopt the attitudes to Mexico that they may *wish* to adopt They have not to act, but to react It is doubtful whether either the United States or Great Britain has yet realized the extent to which present reactions are likely to control actions in the future

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THE PHILIPPINE PROBLEM ENTERS A NEW PHASE

JAMES S. ALLEN

RECENT Administration statements on the Philippines are among the most important indications of the orientation of American foreign policy The broader implications of President Roosevelt's proposals of January 11 last with regard to pending trade problems were not generally appreciated at the time. It was only when High Commissioner Paul V McNutt on March 15 advocated permanent American sovereignty over the Philippines that it became clear important changes in existing political relationships were being seriously considered

In the present phase of the evolution of American policy in the Far East, the Philippines necessarily play a key role. The Islands dependency is, after all, the most tangible and direct point of contact between firmly established American interests and the complexus of the Far East The course followed by Washington with regard to the Philippines is at this time the touchstone of American Far Eastern policy Should the United States cast the Philippines loose, this would be the surest indication that it intends to withdraw from the Western Pacific; and, by the same token, steps now being proposed to prolong American sovereignty clearly indicate that the United States intends to maintain its Far Eastern positions

In his January announcement, Roosevelt outlined the general plan which undoubtedly will be presented in detail by the report of the Joint Preparatory Committee of Filipino and American experts. The substance of the President's recommendation is that the period of preferential trade be extended to 1960 If this proves acceptable, steps would then be taken to amend the economic provisions of the Tydings-McDuffie Independence Act Although this would seem to open the way for further revisions, the President indicated that he did not then contemplate any change in the independence provisions of the Act.

It has been clear for some time that the Tydings-McDuffie Act

provides no satisfactory solution to the Philippine problem. On its positive side, it has extended greater autonomy in internal affairs and laid down stipulations for democratic and republican form of rule under the Commonwealth. However, the arrangement created too many uncertainties in an already very uncertain situation. While the perspective of independence in 1946 tended partially to satisfy the traditional nationalist sentiments of the Filipino people, the Act did not include adequate provisions for the national and economic security of the Islands. The threatening international situation, combined with the prospect of losing the American market, presented the independence problem in a new light.

The Independence Act was inadequate because it was in the main an attempt to settle a trade dispute which had been pending for many years, and the political issues at stake were treated within the framework of this economic settlement. One of its principal accomplishments was to appease those American groups concerned with restricting Philippine imports into the United States. Americans with large sugar holdings in Cuba, beet-sugar refiners, and those who profess to speak for American dairying interests, had been working for some time to eliminate free trade with the Philippines. Collaborating with Filipino independence missions, this group succeeded in passing the Act, which included provisions for taxing Philippine imports beginning in 1941, increasing the tax yearly by one twentieth of the full duty until 1946, when preferences were to be completely eliminated. This arrangement is altogether one sided, since American products are to be admitted duty-free into the Islands until 1946. On the other hand, large American business groups with dominant holdings in the Philippines, as well as native business interests, have continued to fight the tariff clauses of the Act. They claim, not without justice, that free trade has been imposed upon the Islands since 1908, with the result that practically no markets could be developed outside the United States, and that the Philippines would face serious dislocation of its economy if the American market were lost. Still another Philippine group, which opposes free trade and demands complete tariff autonomy, tends to align itself with the American-Cuban interests. This group includes middle-class elements with industrial aspirations of their own,

spokesmen for various Japanese business interests in the Islands, and advocates of "independence at any price"

The Joint Preparatory Committee was created in fulfillment of Roosevelt's promise that economic inequalities and injustices contained in the Tydings-McDuffie Act would be remedied It is doubtful whether the Committee, which held hearings during the past year in Washington, San Francisco and Manila, uncovered anything of importance not already known The real significance of the Committee lies not in its exploratory and research work, although this is of value in itself, but rather in the fact that its creation meant that the Philippine question had been reopened and that revisions in economic and political relations between the mother country and the dependency were being considered This can only be welcome, because developments since 1934 have rendered the Tydings McDuffie Act even more unsatisfactory than it appeared at the time The broadening of the Far Eastern conflict makes it clear that a solution of political problems cannot be premised upon the narrow requirements of the economic groups involved Trade problems now need to be subordinated to the much more inclusive consideration of the relation of the Philippines and of the United States to the question of halting further aggression in the Far East. For this reason it is inevitable that the Tydings McDuffie Act in its entirety be submitted to thorough reexamination

It is in this light that Roosevelt's suggestion becomes especially significant By separating the problem of trade from that of independence he has done much to clarify the situation Under his proposed arrangement, preferential trade would be prolonged 14 years beyond 1946, when political independence will be forthcoming under the present Act This would grant the Philippines a longer period in which to make the necessary economic readjustments. Nor are the leading American groups which are interested in restricting Philippine imports likely to find the arrangement too distasteful. The principle of eliminating free trade is retained and the rate at which duties are to be increased is similar to that provided in the Independence Act, except that instead of full duties being levied in 1946, the same rate of increase will pertain until 1960. Of course, both

sides can speculate with the probability that some time before then further compromises may be reached.

The Philippine policy has always been a policy of postponement and, in this sense, the plan now proposed is no new departure. Still, a better prospect is offered than that held out by the Tydings-McDuffie Act. If the latter's economic clauses were to begin going into effect as scheduled in 1941, the Philippines might have to seek a market in Japan by 1946. This market could not be obtained without *quid pro quo*. After 1946, there would be apparently no restriction to prevent the Philippines from offering Japan a preferential or even a free market in a desperate effort to stave off a severe economic depression. The new proposal, therefore, by extending preferential trade over two decades, may relieve the Philippines from the alternative of orientating upon Japan. From the viewpoint of the broader issues involved, the Roosevelt plan makes it clear that, no matter what may be found the most expedient course to take with regard to independence, the Washington Administration does not intend to retreat before Japanese aggression in the Far East.

An equally important conclusion implicit in Mr. Roosevelt's statement is that independence is not contemplated before 1946 at the earliest. Quezon's suggestion, during his trip to the United States last year and again on his return to Manila, for advancing the date of independence to 1938 or 1939, tended to hasten reconsideration of all phases of the problem both in the United States and in the Philippines. It is significant that Quezon was one of the first to welcome Roosevelt's January announcement, which indirectly but surely rejected his own proposal of the previous year. Judging from the favorable reception thus far accorded the American proposals both in Manila and in Washington, and allowing for vacillations so characteristic of Filipino American relations, it seems that the tendency now is to view independence as a component part of the problem of how best to safeguard the Philippines from aggression by Japan.

High Commissioner McNutt's suggestion, however, has already aroused wide controversy. The Philippine Commissioner announced, while visiting Washington, that a reexamination of the Philippine question in the light of the threatening Far Eastern situation led

him to the belief that permanent continuation of American sovereignty over the Islands was best for all concerned. McNutt issued his statement following conferences with President Roosevelt and Secretary of State Hull, and it is presumed that they were aware of his views, although no official comment followed his announcement. Whether this suggestion contemplates the dropping of Roosevelt's trade proposals or their revision in accordance with a condition of permanent dependency, was not stated.

Quezon's immediate approval of the High Commissioner's position was followed the next day by modifications to the effect that unqualified permanent dependence was out of the question, although dominion status might be found acceptable. On closer examination, it appears that Quezon did not object in principle to the Commissioner's proposition. Quezon pointed out that if McNutt meant that American sovereignty should continue after 1946 along the same Commonwealth lines as laid down in the present Independence Act, the United States would continue to control foreign policy, tariffs, immigration, currency and the public debt. To such a plan he could not agree. But if dominion status were contemplated, with greater autonomy for the Philippine government in at least some of these spheres, this could be considered. He offered to submit the question of dominion status to a plebiscite or make it an issue in the elections for the National Assembly in November.

These proposals and counterproposals are intended to sound out sentiment both in the United States and in the Philippines. Nevertheless, they do indicate that the independence problem has now entered upon a new phase. Chairman Tydings of the Senate Insular Committee, co-author of the existing Independence Act, asserted that Congress would not act on the question this year and that no action was possible until a definite proposal was forthcoming from the Philippines. One may now expect a period of further reorientation of the public mind in the Islands before any definite commitments are forthcoming on the new issue.

In THE Archipelago, a slow remolding of traditional attitudes is taking place. For the last three decades independence has been the *leitmotiv* of Philippine politics. Quezon's program was always pro-

independence, and it was as a nationalist that he became the outstanding political leader. His proudest accomplishments have been concessions that he has won from the United States in the way of greater autonomy for Filipinos. In 1916, he returned triumphantly from Washington, carrying with him the Jones Bill, which conceded greater political rights to Filipinos and the preamble of which committed the United States to grant eventual independence. His emergence as an undisputed political leader was premised upon his continued fight for greater autonomy. He considered the Tydings-McDuffie Act a victory, for it conceded a larger degree of self-government than ever before obtained and included at least the promise of independence in 1946, the most definite commitment as yet won from the mother country. If his general policies were often open to just criticism, his support was founded largely upon a pro-independence program.

During the past few years, since the intensification of Japan's aggression in China, Quezon has tempered his independence pronouncements. As already suggested, his proposal for advancing the date of independence was motivated by a desire to reopen the whole question in the light of new international developments. When he reiterated this proposal at the opening session of the National Assembly last fall, he declared:

> Under the Independence Act and the Constitution, the government of the Commonwealth has been established to prepare the country for complete independence.
>
> Our people alone, by their own choice and direction can command us to take a different course.
>
> Since the news of my proposal to have the transition period shortened was published, voices in opposition to it have been heard both in public and in private. Let us say in all earnestness to those Filipinos who believe in good faith that the security, liberty, prosperity, and peace of our common country lie in some kind of political partnership with the United States rather than in complete independence, they should say so frankly and come out courageously in the open with an alternate plan instead of merely adopting dilatory tactics in the belief that when the fourth of July, 1946, shall have arrived, some unforeseen event will prevent the establishment of the Philippine Republic . . .

So long as the essentials of freedom are not sacrificed—and they must

not be sacrificed under any consideration—the formula for securing and enjoying it may well be debated upon.

This can hardly be considered a plea for early independence If anything, it is encouragement to those who favor "political partnership" to carry on a public campaign for dominion or a similar status

His cautious suggestion, on the occasion of Commissioner McNutt's radio speech, that dominion status may prove acceptable, seems to indicate that President Quezon feels that this form of political collaboration with the United States, freely arrived at, may provide a solution to the problem of national safety. It is unlikely that he would make such a suggestion unless he felt that public sentiment was prepared for that step Moreover, no matter how certain he felt of the strength of his political machine, he would not chance even the suggestion of a plebiscite or the possibility of injecting the issue in the November elections, unless he felt reasonable assurance of popular support

Since the beginning of Japan's drive against China in 1931, Philippine politics has gone through a slow transition Although the issue of Japan loomed in the background, it generally did not play a visible role in the bitter political struggles around the independence bills in 1933 to 1935 Since then Pacific events have become much more threatening Political reorientation had to take place The emergence of the Fascist triple alliance and, more particularly, the recent phases of Japan's aggression in China, which included significant thrusts southward into the vicinity of the Archipelago, have placed the independence question in an altogether new light. Japanese economic inroads into the Philippines since the World War, principally in the establishment of large vested interests in Davao and in slow but steady commercial expansion, were never viewed with approval by either the Philippine or the American authorities. Under present circumstances these activities legitimately cause alarm Filipinos are now also more fully aware that their country is being physically isolated The Japanese Mandated Islands, the closest of which is only 450 miles from the southern province of Mindanao, intervene between the Philippines and Hawaii. The Japanese mainland must be passed in any direct route from the west coast of the United States

to their country. Not far to the North is Formosa. Off the southern tip of the Archipelago are British Borneo and the Dutch East Indies where Japanese penetration has been successfully proceeding for some time. When the Japanese fleet appeared at Pratas Reef, midway between Manila and Hongkong, and threatened Hainan Island on the direct route between Hongkong, French Indo-China and Singapore, Manila could not help but have nightmares of complete encirclement.

The real issue that increasingly made itself felt was the problem of national preservation and of safeguarding Philippine autonomy. For a time it was hoped that highly cherished independence could be maintained by neutralization of the Philippines, and a provision authorizing the United States to negotiate a treaty of perpetual neutralization was even written into the Tydings-McDuffie Act. But in time it became clear that pacts of this kind were likely to be *worthless. During 1935-37, when isolationist sentiment seemed to predominate in the United States, Manila's hopes turned to Britain* with the expectation that, because of its extensive interests in the Far East, Great Britain would be willing to undertake responsibility for maintaining the integrity of the Philippines. When Britain did not restrain the aggressor even in Europe and on the Mediterranean, and remained passive in China, the Filipino hope of security and protection centered exclusively upon the United States. President Roosevelt's speech of October 5 last removed serious doubts as to the direction of American foreign policy. The President's projected trade proposal is again encouraging Filipino faith in the United States, a faith which had been shaken by isolationist sentiment in Congress and what seemed too compliant acceptance of Japan's aggression against China.

THE problem that now presents itself to the Filipinos is whether national preservation may not best be obtained under present circumstances through voluntary collaboration, even to the extent of free union, with the United States. The alternative is a pro-Japanese orientation, which is tantamount to submission to Japan's aims. It is clear from Philippine political discussions that this is what some of Quezon's chief opponents have in mind. In a mem-

orandum submitted to the Joint Preparatory Committee during its hearings in Manila, the veteran revolutionary generals, Emilio Aguinaldo and Jose Alejandrino, declared themselves "willing to accept independence at any time, along with its possible consequences." Then they were still able to hide their real perspectives behind speculations about Japan's preoccupation in China and a possible war between the Soviet Union and Japan. But as the issues began to be argued out publicly in the succeeding months, General Alejandrino, whose opinions may be said to reflect the position of a section of the National-Socialist Party leadership, was forced into the open under the pressure of other parties in the Popular Front. In a long letter published in the Manila press, he came to the defense of the Pan-Asiatic program He considered Japan "a fountain of inspiration which we should follow insofar as it lies in our power to do so," hailed the "fear and respect" which Japanese aggression inspired in the nations of the West, and added that "without the aggressive policy of Japan, our prospects of independence would be doubtful"

It is not a far cry from this position to the more outspoken pronouncements of Benigno Ramos, Supreme Head of the Philippine Sakdal Party, who lives in Tokio In a recent article, published under a pseudonym in a Manila paper, he was unwary enough to discuss President Roosevelt's economic proposals in the light of Japanese military strategy Should the Philippines remain an American dependency in the event of a Japanese-American war, he explained, Japan would have to divert its naval and air forces between the Philippines and the United States. But if, Ramos predicted, the Philippines are independent, "Japan can concentrate all her forces and strength on America proper" He was, therefore, opposed to prolonging preferential trade, for he considered this a step towards improving relations between the Islands and the United States.

Alejandrino and Ramos represent two complementary currents—one represented in Japanese-inspired Pan-Asiaticism in the Philippines the other emanating directly from the Japanese empire-builders which are leading to adventurous and very dangerous intrigues for independence through collaboration with Japanese military-fascism Although General Aguinaldo's National-Socialist Party is

not Nazi, either in connections or ideology, if it continues to follow a Japanese orientation, it may come to play a role in relation to Japan similar to that of the Nazi organizations abroad in relation to Germany. Collaborating with other elements who are undoubtedly sincere advocates of "independence at all costs," but who do not realize the fuller implications of their program, the Pan-Asiatic group of National Socialist leaders makes a strong appeal to the traditional nationalist sentiments of the Filipino masses. Together with a sector of the indigenous Sakdalista leadership, they are attempting to take advantage of widespread peasant dissatisfaction with prevailing conditions to encourage and provoke irresponsible insurrectionary tendencies.

Fortunately, the danger of a combination of pro-Japanese groupings and of unprincipled opposition to Quezon's internal policies is realized by other leaders and parties who have in the past opposed the Commonwealth President. The other chief parties of the Popular Front—the Aglipayans, the Socialists and the Communists—as well as progressives in and out of Quezon's own party, are reexamining their attitudes and are now redefining their position on the leading issues of the day. The establishment of the united front between the Communist Party and the Kuomintang in China, which led to effective national resistance to Japan's aggression, has evident lessons for the Philippines, and these are being closely studied with the view of establishing a national democratic front in the Islands.

In this connection, significant changes have taken place in Quezon's internal policies. During the first year of the Commonwealth Administration, the President's measures showed a marked anti-democratic tendency and ignored the crying need for progressive reform. The democratic elements inside and outside of his Nationalist Party found little they could support in his legislative program. Partly under the pressure of organized criticism, and partly, it seems, because he realized the danger of reaction and was impressed during a recent visit with the progressive stand of Roosevelt and of President Cárdenas of Mexico, Quezon veered in the direction of democratic reform. He pardoned hundreds of political prisoners, among them many Communist leaders who had been in prison or exile since 1933, abolished the burdensome cedula tax; launched a

campaign against the abuses of the judicial system; urged support of minimum-wage legislation, and used his influence to encourage unification of the labor movement; and promised to take steps to remove some of the worst abuses of the agrarian system These actions now make it possible for labor and the progressives to revise their attitude to the Administration A new alignment of popular forces many of which were formerly in staunch opposition, is now taking place around the progressive features of Quezon's present program On his side, Quezon seems to realize that he cannot enact his "social justice" program against the opposition of the "sugar barons" and the vested interests, without the support of the labor and peasant movement As long as the President continues in the direction of progressive reform, he is assured of mass support, although he cannot expect to retain it if he continues to give way to the pressure of reactionary and anti labor forces, as he did recently in authorizing the use of troops against the peasants in a province-wide strike of agricultural workers

Quezon's most progressive proposals were contained in his message on taxation to the National Assembly on January 24, 1938. "In the past," he said, "taxation has not been concerned with the principles of justice and rarely has it been concerned with bettering the conditions of the people Rather it has sought only to produce revenues and to place the burden on the backs of those least able to remonstrate . . . The wage-earner and the small farmer as a class carry most of the burden, then comes the middle class, and last the upper class" He recommended the abolition of the sales tax on prime necessities, reduction of taxes on professions and on license fees for small businessmen, and increased corporation, inheritance and income taxes, which are now ridiculously low. This message immediately evoked sharp criticism from corporation and monopoly circles *Kalayan,* which speaks for the Communist and other Left groups, welcomed the President's message and promised full support in the fight to enact this program.

National unity has become a pressing need of the Philippines and it is a necessary condition for self-preservation However, an effective unity, based upon strong popular support, can be obtained only through substantial improvement in the conditions of the masses

and the protection and extension of democratic rights. To the extent and with the speed that steps in this direction are taken will national unity be forged. Recent developments indicate that labor and progressive groups are striving to establish a united front with Quezon and the democratic elements in the Nationalist Party on the basis of an enlightened program. The advance during recent months towards unifying the labor movement is an important step in this direction. The present tendency may emerge in some initial form of a broad democratic front even by the time of the national elections in November.

Whether the Philippines will be completely independent after 1946 or continue under some form of political relationship with the United States is still a question which remains to be settled. Under conditions of greater internal democracy, the Filipino people will be able to find an answer to this problem in accordance with the principle of the self-determination of peoples. In exercising the right of self-determination, the Filipinos may be called upon to choose between some form of greater self-government combined with a voluntary union with the United States, or total political independence. In the present situation, when the dark clouds of Japanese aggression hang over the Philippines and threaten even the present degree of national autonomy and the existing liberties of the people, the Filipinos are considering seriously the alternative of establishing, freely and voluntarily, some form of democratic relationship with the United States in the interests of national preservation and collective security.

New York, April 1938

A CAPITALIST APPRAISAL OF THE SOVIET UNION

L. E. Hubbard

On November 7th, 1937, the Soviet Union celebrated the 20th anniversary of the Revolution, and the Second Five-Year plan closes[1] on December 31st. It is therefore a fitting time to try to arrive at some evaluation of the results of the Bolshevik regime. There may be different opinions regarding the social and political benefits conferred by the Revolution on the Russian people. While it is impossible to express mathematically the intangible elements which make life tolerable or the reverse, the material standard of living can be fairly accurately assessed. The extent to which the consumption of goods has increased over a given period is a matter of fact and not of opinion. It is true that owing to the lack of appropriate statistics it is not easy to compare the standard of living in the Soviet Union today with pre-war or New Economic Policy (1921-1927) standards, but there are sufficient data on which to base an estimate of the absolute standard of living at the present time and to indicate trends over a certain period.

Since Russia has always been self-sufficient in food, the average consumption per head of population must be determined by the production per head of population. The most important constituent of the total food supply is grain. Official Soviet figures show that the gross quantity of wheat and rye produced per head of population since 1925 has varied as follows:

1925	677 pounds	1930	696 pounds
1926	731 pounds	1931	503 pounds
1927	666 pounds	1932	480 pounds
1928	590 pounds	1933	684 pounds
1929	550 pounds	1934	672 pounds
		1935	697 pounds

This is an average of about 632 pounds[2] compared with 613 pounds for the last five pre-war years 1909-1913. Considerably more grain

[1] This article was written in October 1937.
[2] In 1937 production rose to over 1,000 pounds.—Ed.

was exported before the war than has been exported since and therefore the difference in favor of the Soviet regime is somewhat greater than the 19 pounds shown

The consumption of animal food must bear a more or less constant ratio to the total quantity of livestock The following shows the total head of livestock in the country in 1916 and 1935 in millions

	Horned cattle	Cows or [illegible]	Sheep & goats	Swine
1916	[illegible]	[illegible]	[illegible]	[illegible]
1935	49.3	[illegible]	[illegible]	22.[illegible]

It is obvious that the consumption of animal foods in 1935 must have been less than pre war, when the head of livestock was certainly no less than in 1916 and the population considerably smaller than in 1935 Even if the increased supply of grain per head offsets the decline in consumption of animal food, the food supply per head of population in the past five years can scarcely have been more abundant than pre war The food supply in 1935 was, however, much better than in 1931 and 1932 when the grain yield was disastrously low and the quantity of livestock much smaller

The question of manufactured goods is complicated by the fact that under the old regime cottage handicraft and small cooperative associations of craftsmen produced a great volume of goods, such as footwear and leather articles, homespun cloth, furniture and wooden articles, metal articles such as samovars, which were not included in the industrial production figures Practically all independent handicraft production has now been exterminated, while the industrial cooperative associations have been brought under Government control and their output included in Soviet statistics Therefore a comparison of recorded industrial output under the old regime and today is much too unfavorable to pre war conditions Another thing that must be remembered is that before the war Russia imported a large quantity of foreign consumption goods, which, if they did not reach the workers and peasants, at least released a greater proportion of home manufactures for their use A rough generalization based on personal observation and hearsay is that the average standard of clothing of the industrial workers, which a few years ago was inferior to the pre-war standard, is now at least equal

if not better. The consumption of so-called "cultural" goods (books, wireless, gramophones, cameras, sports outfits and equipment such as skis and skates) is infinitely greater than pre-war, when such things were undreamt of by the ordinary worker and peasant. As regards housing, the most that can be said is that a considerable number of industrial workers accommodated in blocks of factory flats are probably better off than formerly, but other classes of urban population, particularly the lower officials, office workers, shop assistants and so on, live in conditions of uncomfortable overcrowding. However, conditions vary enormously in different towns. In some the housing problem is not particularly serious, while in others, where new industries have caused a rapid increase in population, overcrowding is intense. In the villages housing is probably on the whole as good as pre-war or better.

When everything is taken into consideration the present-day standard of living of the Russian people possibly shows some improvement on pre-war. But the improvement is predominantly in the standard of the industrial working class. The conditions of life for the professional and educated classes, including the mass of office and clerical workers, are certainly inferior to pre-war, and this must be set off against the gain of the workers. The greatest part of the population, however, is still the peasants, and conditions have changed so much that it is impossible to strike a balance between gains and losses. Also conditions vary so much between district and district and even between farm and farm, not to mention the differences in the harvest yields of different years, that it is impossible to generalize for the whole country. However, the prosperity of an agricultural population must bear some relation to the quantity produced per head. According to the official statistics of rural population and cultivated land, the area per head sown to crops in 1935 was about ... per cent larger than in 1913. Owing to the new methods introduced in 1933 for estimating the yield of grain crops, an exact comparison between pre-war and recent harvests cannot be made. However, taking all crops together, the average yield per acre in the five years ending with 1936 was probably no greater than for the five years 1909-1913. But, assuming that the quantity of agricultural produce raised per head of agricultural population is on the average

larger than pre-war, this is offset by the relatively lower prices paid by the State for agricultural deliveries. There is no doubt that the purchasing power of the peasants' money income now is less than pre-war.[3] Against this the State probably provides more technical assistance to the peasants than the pre-war Zemstvos. All things considered, it is very doubtful whether the average per head consumption of food and industrial goods by the peasants is any higher than pre-war.

If after giving due weight to the intangibles, such as education and health services, we conclude that the average standard of living in Soviet Russia today is an improvement on pre-war conditions, is the improvement greater than might reasonably have been made had the revolution not destroyed the capitalist system? During the last 10 years of the Tsarist regime a considerable advance was made in the spread of education, in factory legislation and in public health services. In industry, especially, Western ideas of the proper treatment of the workers were beginning to make ground against the old system still influenced by traditions deriving from the days of serf labor. It cannot be denied that the conditions of both industrial workers and peasants, just prior to the war, were far inferior to the standards prevailing in Western countries, but the point is that, both in the Government and among the big employers of labor and among a fairly large section of the large landowners, more liberal and enlightened ideas were rapidly gaining ground and there were distinct hopes that, had not the war and revolution intervened, a period of

[3] Professor Prokopovich in his Bulletin No. 103 published by the Slavonic Institute in Prague gives the following comparison of the purchasing power of the price of a quintal of wheat and rye in 1913 and 1932:

	Cotton print	Sugar	Soap
Rye 1913	25.73 meters	15.40 kilos	17.03 kilos
Rye 1932	3.3 meters	2.53 kilos	1.41 kilos
Wheat 1913	33.46 meters	20.60 kilos	22.80 kilos
Wheat 1932	4.5 meters	3.41 kilos	1.89 kilos

It would seem that the 1932 values are based on the prices charged to the peasants which were much higher than ration prices and a good deal higher than the single prices after derationing. The average price paid by the State for wheat at present is not more than 15 rubles per 100 kilos. This sum would buy about 4 kilos of sugar, nearly 5 kilos of soap and some 5 to 6 meters of the cheapest and poorest quality cotton calico.

improvement in the conditions of the toiling masses was about to begin.

As regards the absolute standard of living in Soviet Russia, since money has not yet been abolished it is possible to calculate what the average income is worth in terms of goods. According to provisional figures for 1936,[4] 25,774,000 persons employed in all branches of the national economy received R 71,400 million in salaries and wages, or at the rate of R 2,770 in the year or approximately R 53 a week. This, be it noted, is the general average, including all administrative, technical and clerical staffs The average wage of the mass of ordinary workers is therefore less than this figure The following is a list of retail prices of a variety of essential goods on sale in Moscow shops on October 1, 1936

Food	Rubles per kilo
Bread (rye)	0 85
Bread (wheat)	1 70
Sugar	3 80
Rice	6 50
Soap (laundry)	3 10
Meat (beefsteak)	12 50
Meat (roasting beef)	9 60
Meat (soup scraps)	7 60
Herrings (salt)	5 10
Lard (2nd quality)	24 00
Butter (1st quality)	23 00
Milk (per liter)	1 30

Clothing	Rubles per piece
Man s suit (woolen cloth)	450 00
Man s suit (mainly cotton)	275 00
Man s overcoat (woolen cloth)	600 00
Man s overcoat (mainly cotton)	400 00
Man s shoes (leather) pair	160 00
Man s shoes (rubber soles) pair	57 00
Women s shoes (leather) pair	162 00
Women s shoes (fabric) pair	41 00
Cloth (heavy woolen) meter	250 00
Cloth (light woolen) meter	210 00
Cloth (wool & cotton) meter	50 00
Cotton (shirting) meter	12 00

[4] *Planned Economy*, No 3 1937

After paying rent, loan subscriptions, taxes, trade union dues and other levies, the Soviet citizen has perhaps 75 per cent of his income left for living expenses Thus the average sum available for food clothing and other expenses may be put at about R 40 a week which would buy the following quantities of food·

		Rubles
Bread 3½ kilos [illegible] kilo per day	costing	3 [illegible]
Meat 1 [illegible] kilos [illegible] kilo per day	costing	16 [illegible]
Herrings 1 [illegible] kilos [illegible] kilo per day	costing	9 [illegible]
Sugar [illegible] kilos about 2[illegible] oz per day	costing	1 9
Fats [illegible] kilos about 2 [illegible] oz per day	costing	1 [illegible]
	Total cost	4[illegible]

This does not pretend to be a typical worker's budget The Russ[illegible] who has to live on R 50 or so a week would subsist mainly [illegible] bread and vegetables But the example serves to show more or less the purchasing power of Soviet wages The cost of the same quan[illegible]ties in London would be about 5s 6d, and the quality would be much superior So far as food and clothing are concerned, a roug[illegible] approximation of the retail purchasing power of the ruble wou[illegible] be R 10 [illegible] 1s But from this it cannot be concluded that the aver[illegible] Russian worker consumes no more than could be bought in Lond[illegible] on an income of 5s a week It is, however evident that the Sov[illegible] Union has a long way to go before there can be any question [illegible] equaling Western standards

During the First Five Year Plan, owing to the very large propo[illegible]tion of the national income invested in creating new indust[illegible] capital, the output and consumption of consumers' goods expande[illegible] very little and the standard of living remained very low An appre[illegible]ciable improvement, if not as great as was expected, has been realized in the Second Five-Year Plan The quantities of certain consumption goods produced during recent years and the amount per head of population in 1936, calculated according to Soviet official statistic[illegible] information, were·

	1933	1934	1935	1936	Per head in 1936
Textiles					
Cotton (million meters)	2 727	2 732	2,632	3,299	20 5 meters
Woolen (million meters)	86	78	84	98	0 6 meters
Linen (million sq meters)	140	153	213	286	1 8 sq meters
Footwear (million pairs)	80	76	85	140[b]	0 9 pair
Sugar (thousand tons)	1 344	2 890	2,751	3,057	45 0 lbs
[illegible] (thousand tons)	–	426	479	557	8 0 lbs
Butter (thousand tons)	124	135	155	188	2 6 lbs
Vegetable oils (thousand tons)	187	368	426	451	6 0 lbs
Cigarettes (milliards)	68	74	79	86	540 0

	1933	1934	1935	1936	Per thousand of population
[illegible] (thousands)	132	275	322	558	3 4
[illegible] (thousands)	95	128	192	337	2 0
Gramophones (thousands)	99	205	290	576	3 5
[illegible] (thousands)	115	169	151	268	1 6

These quantities per head may be compared with the following estimates of quantities per head available for consumption in the United Kingdom in 1935

Cotton piece goods	22 5 yards = 20 5 meters
Woolen and worsted tissues	6 4 sq yards = 5 4 sq meters
Linen piece goods	2 2 sq yards = 1 8 sq meters
Boots & shoes (1934)	
Leather	2 0 pairs
Rubber	0 6 pairs
Other	0 5 pairs
Sugar	95 lbs
[illegible]	22 lbs
Butter	25 2 lbs
Vegetable oils (including industrial)	26 lbs
Cigarettes	950
Bicycles & tricycles	33 6 per thousand
Watches	138 0 per thousand
Gramophones	0 5 per thousand

With regard to textiles the above figures take no account of alternatives such as rayon fabrics, of which Soviet production is as yet negligible

A few figures of pre-war factory production are available and these show that in 1912 the output of cotton piece goods was about [illegible] meters per head, of woolens about 0 5 meter and of linen about

[b] Figures for 1936 include all footwear, for previous years only leather footwear

1.1 meters. But these figures relate to the output of factories in the area now included in the USSR only, whereas before the war all the Lodz cotton industry in Poland, not to mention the Knoop cotton mills in Estonia and the cotton and woolen mills in Bialystok, supplied the Russian market, since their output was considerably in excess of the consumption in Poland and the Baltic States now excluded from the USSR. The production of sugar in 1913-14 in what is now the USSR, amounted to about 1,533 thousand tons or approximately 22 pounds per head.

At the commencement of the First Five Year Plan the Bolshevik leaders warned the people that the plans for expanding the industrial resources of the country demanded material sacrifices, but they promised that as a result of the new enterprises created during the period the output of consumption goods would be greatly increased. However, the material standard of living at the end of the First Five-Year Plan did not show any material improvement. In fact in 1932, the last year of the old Plan, and 1933, the first year of the new Plan, the rationing of food and essential manufactured goods reached its height, and it was not until 1934 that the "commercial" sale of retail goods (unrestricted sale at prices much higher than rationed prices) accounted for any considerable part of retail distribution. At the beginning of the Second Five-Year Plan the Seventeenth Congress of the Communist Party adopted a resolution that the close of the period would see

1. a doubling of real wages
2. a 250 per cent rise in the standard of consumption of staple foodstuffs and manufactured goods
3. a 35 per-cent reduction in retail prices

It is self-evident that not one of these promises has been realized. The average money wage of industrial workers in 1937 is about double the average wage in 1932, but the retail prices of consumption goods in 1937 are much higher than the ration prices in 1935 at which the worker was able to purchase the bulk of his requirements. It is unfortunately impossible to make a true comparison between average retail prices in 1932 and 1937, but it may be taken for granted that all industrial workers through their privilege of buying cheap

rationed goods found the absolute cost of food and clothing considerably less in 1932 than in 1937. Other categories of the population having no or very limited ration rights probably benefited from the lower retail prices compared with the former open-market prices when rationing was finally abolished. At the same time the wages and salaries of clerical workers and others who had smaller ration privileges than the industrial workers have not increased in the same proportion as factory wages. Since the autumn of 1935, when ration cards for foods and most manufactured products were abolished, there had been, up to the middle of 1937, no appreciable reduction in the average retail price level. A reference to the production figures on a previous page of certain staple consumers' commodities shows clearly that the volume of production of the most essential commodities has certainly not increased by 250 per cent unless a phenomenal expansion took place in 1937.

NO DOUBT the failure to increase the output of consumers' goods according to plan is partly due to the unforeseen armament program which the Soviet Government has found itself obliged to undertake. The expansion of the standing army from about 900,000 to 1,300,000, which was certainly not anticipated when the Second Five Year Plan was drawn up, obviously caused a diversion of material and labor from productive industry to armaments. But apart from this it is pretty evident that the Planning Commission was overoptimistic in its estimates of the capacity of industry to expand output. One important factor in the calculation of production plans is the theoretical capacity of the machine. Now the annual plan for each individual enterprise is first of all drafted by the factory management, and in order to show keenness and efficiency the director, who is almost invariably a member of the Party but not necessarily an expert in his own job, is very likely to promise too much. Thus it comes about that a very large proportion of industrial machines and industrial labor is compelled to work at too high pressure.

Up to two or three years ago most big industrial enterprises had foreign technical advisers or assistants attached to them and these were a check on senseless overdriving, but nearly all had left the Soviet Union by the end of 1935. Then in September 1935, the

was stated that "the average output of the Soviet worker is still below the average output of workers in the more technically advanced capitalist countries." The following specific instances were quoted

> The Soviet worker in metallurgical works produced in 1936 about 600 tons compared with 1,729 tons by American workers in 1929.
>
> In 1936 the production of one ton of coal in the Donetz field cost 5 4 man hours, in Germany 5 2, and in the U S A 2 4.
>
> The personnel employed in Soviet electric power stations per unit of capacity is nearly five times that employed abroad.
>
> In American cotton mills the output per worker-hour is about twice that in Soviet mills
>
> The Soviet worker in the boot industry turns out on the average 500 pairs a year against more than 1,700 pairs in the U.S A

It would not be fair to denounce the Soviet system of State Socialism as a failure because Soviet industry has not proved more efficient than capitalist industry and because the promises of a great improvement in the general standard of living have not been fulfilled It takes much longer to create a highly trained administrative and technical personnel to manage industry than to build and equip industrial enterprises largely with imported material and under foreign expert supervision. And not only is the general standard of the higher personnel responsible for running industrial enterprises much below that in older industrial countries, but the Soviet industrial operative, with far less experience and tradition than the capitalist worker, is put in charge of the latest type of foreign machine But there is no question that the forced industrialization program has compelled the Bolshevik leaders to abandon many of their original Communist principles. One of the most striking instances of this is the gradual disappearance of the corporative and cooperative principle both in production and consumption Originally wages in industrial enterprise were, as far as practicable, shared out among the members of the brigade or gang which earned them collectively The collective system has almost entirely given place to individual piece work, and in order to stimulate the worker, payment for all work done in excess of the fixed norm is paid for at rapidly increasing rates. Thus a worker who greatly exceeds the norm receives for the final units of production two or three or pos-

sibly four times the rate paid for the first units It is because of this system that Stakhanovite workers have been able to earn in a month sometimes three or four times the sum earned by the ordinary worker. The same principle is also applied to enterprises as a whole in favor of the directors, who receive as premiums a considerable portion of the profits in excess of the planned profits.

As a result of the increased earning power of certain classes of the community, a by no means unimportant, but as yet not very numerous, section of the population enjoys monetary incomes very much greater than those of the rank and file The "rich" citizens comprise the heads of successful enterprises, popular authors or journalists, prominent actors, singers and dancers, and a certain number of the most successful Stakhanovites Obviously a high money income would be but a qualified instigation to increased effort if it did not give its possessor the command of material benefits Therefore, Soviet industry is now producing a wide range of luxury goods, such as silks, expensive luxury foods, cosmetics, furs and high class clothing of all sorts, and even jewelry, while it is now possible for the private individual to own his own house and motor car Bolshevik Socialism, it is true, never pretended to be an ascetic creed on the contrary it has always claimed that the Socialist State will eventually become the complete Communist State when the production of wealth is such that every member of the community can receive according to his desires Therefore instead of the Soviet system being reproached for the rise of a wealthy class, the criticism, if any should be that this class is relatively so small. The question of chief interest to students of the Soviet system, however, is whether or not it is perpetuating exactly the same faults with which Socialism charges capitalism. One of the fundamental principles of Socialism is to abolish the exploitation of man by man Although private ownership in the means of production and distribution has been transferred to public ownership, is there not a certain element of exploitation still existing? No economic enterprise, of course, makes profits for distribution among shareholders, but there is a large and increasing bureaucratic and bourgeois class enjoying relatively high incomes It is not necessary to suggest that these people are not intrinsically worth their incomes, but the fact remains that these

incomes must be paid out of the wealth produced by the workers and that the bureaucratic bourgeoisie is beginning to form a superior class more and more differentiated from the rank and file. The ordinary State services are no longer good enough for the rich. To satisfy their demands for something better and more exclusive than that provided for the ordinary people, private enterprise is not only winked at but legalized in such trades as tailoring, dressmaking, bootmaking, hairdressing, etc., while in the larger towns a large number of doctors and dentists have lucrative private practices in addition to their official work in State institutions. In many ways, therefore, those who can pay the high prices demanded can command the personal services of others.

It is also worth noting that according to the retail trade figures for 1935 about 30 per cent in value of the retail turnover in foodstuffs was sold on the open peasant market, in which the bulk of the produce is brought to market by the individual peasants and sold for their own personal benefit. It is likely that the proportion of foodstuffs supplied to the urban consumers by the individual peasants has increased since the peasant charter of February 17, 1935, under which all peasant households in collective farms are allowed to have for their own use from about two thirds to about an acre of land, a couple of cows, two or three breeding sows, up to 25 sheep and an unlimited quantity of small livestock. It must not be supposed that every collective farm household possesses the full amount of land and livestock permitted, but already in 1935 there were in the private ownership of collective farm households no less than 53.3 per cent of all cows in the country, 40.7 per cent of all pigs, and 39.5 per cent of all sheep and goats.

Although private enterprise has been abolished in trade, other than the peasant market, and from manufacture, it is evident that private enterprise still plays an appreciable part in the production and sale of agriculture, foodstuffs and in personal services. As the number of 'rich' citizens increases it is obvious that the demand for private services must also increase. It will depend on the power of the wealthy and bureaucratic classes over the Government whether the control against private enterprise is relaxed or not. It is not impossible that the prosecution of high officials and others holding important

posts in the country's political and economic institutions may in some way be connected with an attempt on the part of the supreme leaders to check the growing power of the "upper" classes. There has been more than one instance in the history of Russia in which the ruler of the State has been forced to take action against his ow bureaucracy that threatened to infringe his autocracy.

It is by no means impossible that the rank and file of Soviet citizens are beginning to feel that Socialism has not made such gre improvements in the social structure of the country after all. Those who can remember pre-war conditions must realize that the relation between the factory workers and the State administrative offic are not so very different from the relations that existed between th workers and private employers The Soviet worker can be discharge for the same reasons for which a capitalist worker can be discharge and of course there is no collective bargaining between the worke and employers since wages and working conditions are fixed by t Government It is perhaps worth noting that labor exchanges h been abolished and a worker out of employment must now find job for himself by personal application to employing enterprises S far as the peasant in collective farms is concerned, he is in somew the same position as the agricultural laborer and smallholder a the emancipation, who had to hire himself out for part of the ye to cultivate a large landowner's land in return for a certain propo tion of the harvest The greater part of the collective farm peasa income consists of a dividend in kind from the farm produce aft all state requirements have been fulfilled, and, as an individual h has no voice in the policy of the farm nor in the work he must d

As the Bolshevik regime grows older there is a remarkable te dency for the course of Soviet Socialism, originally adopted fro abroad, to take on a traditional Russian character and to follow historic precedent Peter the Great's policy resulted in building up dictatorial State with all groups of the population attached to obliga tory State service. Under Peter, the nobility and gentry were in the own way almost as much bound to the State as the serfs were t

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*This does not agree with the account in *Soviet Communism, A New Civilization?* by Sidney and Beatrice Webb, 2nd ed., London, 1937.—Ed

new masters. Under the Soviet regime, the counterparts of the 18th century nobility and gentry are the State officials, factory managers and the new bureaucracy generally. Immediately Peter's reign ended, the upper classes attempted to get rid of their obligatory State service. Eventually they obtained a charter of freedom under Catherine II, including the right of individual property ownership. At the present moment there are significant indications of a struggle between the new bureaucratic bourgeoisie and the State. Socialism in Russia is visibly being forced to conform to the Russian character; in fact, one might say that fundamentally Russia remains the same, and it is Socialism that is being altered and molded into something peculiarly Russian.

London, October 1937

THE RATE OF GROWTH IN THE SOVIET UNION

ANDREW W. CANNIFF

Readers of PACIFIC AFFAIRS are accustomed to our policy of printing articles that express different and sometimes opposite points of view. We do this for something more than the interest of a good debate. A more important aim of our editorial policy is to let our readers know, as far as we possibly can, what is really happening in all the subjects that are of interest to the Institute of Pacific Relations. We accordingly print the following article by an author who uses almost exactly the same figures as Mr Hubbard, but comes to entirely different conclusions. Mr Canniff has recently been studying the agricultural economics of both the Soviet Union and Manchuria.—ED

ON THE one hand, we have the undeniable fact that the Soviet Union, once weak and invaded from all sides by its enemies, is now a major world power. Its enemies in both Europe and Asia express their hate of the Soviet Union so forcibly that it is plain they would attack it if they dared, but they have not yet dared. The ordinary non-expert assumes that one reason for this increase of strength is the prodigious effort toward industrialization under the Five-Year Plans. Yet, on the other hand, we have experts like Mr Hubbard who say that, in spite of all those machines and of that apparent increase in strength, the people are not much better off in things to eat and things to use than they were under the Tsars. Perhaps they might have been better off if Tsarism and capitalism had never been done away with. Perhaps they are beginning to feel that Socialism has not done so much for them, after all. In any case, there is a new "rich" class. More than that, "one might say that fundamentally Russia remains the same and it is Socialism that is being altered and molded into something peculiarly Russian." It looks as though somebody must have made a mistake somewhere.

On the whole, the Soviet figures at my disposal are no more re-
-nt than those used by Mr. Hubbard. So far as I can tell the new-
figures indicate that year by year the income of the average
izen is rising and his expenses are falling. It is interesting to see
at the same trend can be deduced from the slightly older figures
n which both Mr. Hubbard and I have had to rely for most of
ur data

The question of getting at what these figures mean for Mr. Hub-
rd and what they mean for me is one of method For instance,
Ir Hubbard gives figures to prove that the standards of both liv-
ig and production in the Soviet Union are still very low, especially
compared with those of the United States; but this is no news
nybody One way of doing this is to average the total quantity
wheat and rye produced per head of population for the 11 years
-25-35 This gives a figure of about 632 pounds, compared with
-3 pounds for the last five pre-war years, but it is a figure which
-ves no clue to the *rate of progress*. A quite different result is ap-
-rent if it is pointed out that the pre-war figure was 613 pounds
r head, that by 1935 this had risen to 697 pounds (after falling to
-8 pounds in 1932, during the struggle for collectivization), and
-t by 1937, with collectivization achieved, production was over
-0 pounds per head of population Which is more significant
-e *average*, including the years of struggle, or the *rise* from the
-l of Tsarist agriculture to the level of collectivized agriculture;
-d which is more important the level attained, or the proved
-city to grow?

In the figures that follow, I have not made comparisons with
America, the country of most advanced technical development, be-
-se the Soviet leaders are still urging their people to catch up to
-e American standard Instead, I have chosen Poland, Great Bri-
-n and India. Three fourths of Poland was part of the Russian
-pire until 1915 Moreover the level of education, wages and
-ricultural production was higher in Poland than in the rest of
-e empire Poland has remained capitalist, and this gives at least
-rough indication of what might have become of Russia under
-italism Comparison with Great Britain is also interesting Great
Britain is the classic country of capitalism, and it is from the van-

tage point of Great Britain that Mr. Hubbard surveys the So
Union. How do Great Britain and the Soviet Union compare, b
in present levels and in the rate of advance and improvemen
Comparison with India is also pertinent, because Great Britain
a dominant capitalist country while India is a subject capital
country, and because the benefits of empire over India contribu
to the level of the standard of living in England.

CEREALS have always been of major importance in the Russi
diet The following table gives the consumption in kilogran
per head of population. The grains are wheat and rye for th
USSR, Great Britain and Poland, wheat and rice for India Th
years are 1909-13, to establish the pre-war level, and 1935 to esta
lish the level in the Soviet Union for the most recent year fo
which I can find statistics For the years 1909-13 I have subtracted
exports from total production (except for Poland, for which th
figures include exports and home consumption), and I take 1935
instead of an average of the Five-Year Plans, in order to make
unmistakable the contrast between the present and the past

(1) STATISTICS OF CEREAL CONSUMPTION (IN KILOGRAMS PER HEAD)

	1909 13	1935	Difference, as per cent of 1909 13
USSR	210	280	+33
Great Britain	182	146	−20
India	223	207	− 7
Poland	321	251	−22

I do not pretend that these figures are absolutely exact,[1] but I
think they show a general trend of development Perhaps the fa
of average consumption in Great Britain can be explained by a
increase in the consumption of meat and butter; but for Poland and
India the only possible explanation is a decrease in the standard of
nourishment.

Cattle breeding offers a further comparison. Here I take 1922

[1] According to Professor Timoshenko of the Food Research Institute of Stanford
University, the per capita consumption of grain in Russia in 1909-13 was 195 k
According to the International Institute of Agriculture in Rome, as quoted by P
fessor Brutzkus (*Agrarentwicklung und Agrarrevolution in Russland*, Berlin, 192
it was only 146 kg My estimate of 210 kg is therefore liberal

the base-year instead of 1916, the year chosen by Mr. Hubbard, because 1916 was not a normal year. At the beginning of the war the Russian peasants had lost their export grain market and suffered a decrease in the supply of manufactured goods from the towns, and had consequently begun to feed cattle with the grain they had formerly sold, with the result that by 1916 the number of cattle was abnormally high [2] Also, I have no data for Poland for 1916, whereas it is fair to make a comparison between Russia and Poland at the beginning of recovery from war and civil war

(2) STATISTICS IN LIVESTOCK (IN MILLIONS)

		1922	1936	Difference as per cent of 1922
[illegible]	USSR	32 9	56 5	+ 71
	Great Britain	[illegible]	8 6	+ 12
	India	116 7	125 8 (1935)	+ 8
	Poland	8 0 (1921)	10 2	+ 28
[illegible]	USSR	41 2	73 3	+ 78
	Great Britain	2[illegible] 6	25 0	+ 24 3
	India	46 4	61 6	+ 33
	Poland	2 2 (1921)	3 0	+ 36
[illegible]	USSR	12 1	30 4	+151
	Great Britain	2 6	4 6	+ 77
	India	—	—	–
	Poland	5 2 (1921)	7 1	+ 37

These figures indicate that while there was general improvement in the capitalist countries, the rate of improvement was nothing like so great as under Socialist planning The difference in favor of the Soviet Union is all the greater when it is pointed out that in the last 15 years much has been done to improve the quality of livestock, which was notoriously poor in Tsarist Russia.

Non-agricultural statistics of consumption per head of population provide us with a kind of cross reference It should be noted that salt is an especially good index of comparison. It is a vital chemical necessity for populations living chiefly on cereals and vegetables but in certain countries millions do not consume it in adequate quantities because they cannot afford it. This is true of India, where salt is a Government monopoly, and it was true of many

[2] This was the opinion of Russian specialists at the time, *cf* Professor Brutzkus,

(4) Output of Heavy Industry (in millions of tons)

	Coal		Steel		Oil		Cement		Tractors (in thousands)	
	1913	1936	1913	1936	1913	1936	1913	1936	1913	1936
USSR	29	124	4	16	9	29	1.5	5.8	0	116
Great Britain	292	232	8	12	0	0	?	6.7	0	5.5
India	17	21	0.1	0.9	?	1.3	?	1.0	0	0
Poland	41	30	1.7	1.1	?	0.5	?	1.0	0	0

The volume of goods carried on railways is a valuable supplementary index of general industrial activity. Here I have taken 1928 and 1936 for comparison, because of lack of data for 1913

(5) Railway Traffic (in milliards of ton-kilometers)

	1928	1936
USSR	93	324
Great Britain	27	25 (1935)
India	36	34
Poland	20	16

This registers actual decline for all countries except the USSR.

Education and health services Mr. Hubbard avoids, as "intangibles", but there are nevertheless quite tangible data on these matters. Before the war there were only 211 literates per thousand in Russia, as against 305 in Poland. The situation is now very different

(6) Students in Schools, Colleges and Universities

(a) *Elementary Schools (in millions of students)*

	1913-14	Latest figures	Students per thousand of population
USSR	6.8	15.0 (1937)	89
Great Britain	6.7	6.1 (1935-36)	130
India	5.5	10.1 (1934-35)	36
Poland	3.4 (1925-26)	4.6 (1932-33)	141

(b) *Secondary Schools (in thousands of students)*

	1913-14	Latest figures	Students per thousand of population
USSR	785	14,490 (1935-36)	88
Great Britain	212	543 "	12
India	1,087	2,362 "	8
Poland	204 (1928-29)	187 (1932-33)	6

(c) *Colleges and Universities (in thousands of students)*

	1913-14	Latest figures	Students per thousand of population
USSR	125	516 (1936)	3.1
Great Britain	35 (1920-21)	46 (1934-35)	1.0
India	69.4	112 "	0.4
Poland	44 (1928-29)	52 (1932-33)	1.6

It is difficult to compare elementary education in different countries. In India, for instance, the average stay in elementary school is only two years. By combining the figures for elementary and secondary schools, however, it is possible to get an idea of relative progressiveness. Are students being given an elementary education merely to make them more employable, or as preparation for further study? These combined figures give, per thousand of population, 187 in the Soviet Union, 142 in Great Britain, 44 in India and 14 in Poland. At the college and university level, the contrast is even more striking—more than three times as many per thousand of population in the Soviet Union, compared with Great Britain. Universities in Great Britain are largely institutions for the training of the ruling class. By inference it seems that in the Soviet Union higher education has really been made available to more of those who are capable to receive it.

Expenditure on education can also be tabulated in a way which gets over the difficulty of comparing the purchasing power of money in different countries, and reveals the actual importance attached to education.

(7) EXPENDITURE ON EDUCATION EXPRESSED IN PER CENT OF MILITARY EXPENDITURE

USSR	91 per cent (1937)
Great Britain	5[illegible] " " (1937-38)
India	33 " " (1936-37)
Poland	41 " " (1934-35)

In 1914, the Tsarist Government spent on education only 20 per cent of what it spent for military purposes. The relative expenditure has been increased more than four times under the Soviet Union, which is the only one of the countries compared that spends on education almost what it spends on armaments. It should be remembered also that the Red Army budget includes heavy expenditures for schooling and training for future civil life.

Although I have not been able to find full comparative figures for all the countries here considered, the following data show something of the degree of achievement in the Soviet Union: In 1913 there were 19,800 doctors in Tsarist Russia, and 176,000 hospital beds. By 1935 there were 85,900 doctors, and by 1936 there were 564,000 hospital beds.

Other things than rate and degree of progress enter into the picture. For instance, while the per capita consumption of rice and wheat in India has fallen, India continues to export cereals to the value of about 125 million rupees a year. In the Soviet Union, a marked increase in the production of grain has been accompanied by a sharp fall in grain exports. In other words, the Soviet Union was able to distribute its gains to its own people (including the former "colonial" subjects of the Tsarist empire), while in India the imperial interests of Great Britain demand that exports be kept up, even as the Indian standard of living falls. Mr. Hubbard attempts to discount the gains, in the Soviet Union, to the farmers who produce the increased quantity of grain. He cites the purchasing power of wheat and rye in 1932—an unfair year to choose, because the struggle for collectivization was then acute. He states also that the average yield per acre (an important consideration in estimating farm income) was "probably" no greater for the five years ending with 1936 than in 1909-13. Leaving out 1932 and beginning with the initial successes of collectivization, the figures according to the *International Yearbook of Agriculture*, editions of 1921 and 1936-37, are as follows:

Production per Hectare (in metric centners*)

	Russia	USSR	Poland	
	1909-13	1933-35	1909-13	1933-35
Wheat	7.3	8.4	12.6	12.1
Rye	7.9	9.0	11.3	11.5

Mr. Hubbard is also positive that the Russian peasant can now buy less with his money than he could before the Revolution. Mr. Hubbard himself sets the standard: the value of money depends on what you can do with it. What did the Russian peasant do with his money before the Revolution? He paid taxes, he paid land-rent (the amount of about 500 million rubles a year), and he bought factory made goods for consumption. Since the Revolution, taxes have been paid largely in kind (except for minor local taxes). There is no payment whatever for land-rent. The collective farmer disposes of his grain at three different price levels.

* One metric centner=100 kg.

(1) *In taxes (the price being much lower than market prices),*
(2) In sales (at considerably higher prices) to cooperatives and oth… state, public and community purchasing agencies,
(3) In sales on the open market (middlemen and other profiteers … not allowed, and the producer gets better prices than he did … 1913, because of this elimination of profit)

Mr Hubbard appears to have taken the tax-rate as identical w… the money rate, which enables him to show that the downtrodd… producer can buy practically nothing

When he has received his money, the collective farmer now … much better off than he was when he was a peasant, because he … longer has payments to make to usurers and landlords, because … tractor and other machinery have taken the place of the pre-Rev… tionary scythe, flail and primitive plow, work is now better dis… uted, with less in the summer and more in the winter, and educ… and medical treatment are now available without cost

The city worker is also better off According to Mr Hubbard … gets, after all deductions, an average of 40 to 50 rubles a week, … rubles being roughly equal in purchasing power to a shilling … means that 40 rubles is the equivalent of 4 shillings, or one Am… can dollar, and that the Soviet worker gets about 20 cents … for five working days a week It looks pretty bad In fact, it … absurd Mr Hubbard admits that "it cannot be concluded that … average Russian worker consumes no more than could be bo… in London on an income of 5 shillings a week" The explan… is that the Soviet ruble, spent in the Soviet Union, buys far mo… than it would if exchanged into British or American currency … spent in London or New York The following table confirms …

(9) Per Capita Consumption of City Workers

	Soviet Union (1936)		Great Britain (1935
Grain	283	kg (1935)	146
Sugar	18	"	43
Fish	10	"	20 4
Meat, ham, etc	45 4	"	32 6
Butter	4 7	"	25 2
Cigarettes	540	units	950
Cotton fabrics	20 5	meters	20 5
Linen	1 7		1 8
Woolens	0 6		5 4

Taking into consideration the low costs in the Soviet Union of house rent, electricity, newspapers and other sundry expenses, it seems clear that Soviet workers are already within measurable comparison of employed British workers, and far above the dole standard of the millions of British unemployed. This means also that the standard of the worker in the Soviet Union is already higher than that of the German or Italian worker. Furthermore, Mr. Hubbard bases his wage average on a figure of about 25 million employed. From the same source as that which he quotes, I find that these employed and their families number about 45 million. This means that in these families there is a ratio of less than one dependent per employed worker. In other words, estimates of family income must allow for more than one productively employed worker per family—this being made possible by the liberation of women through creches provided for small children, and many other welfare provisions.

From the figures with which he discusses "tangible" standards of living, Mr. Hubbard turns to the discussion, without figures, of intangibles. He makes a lot of "bureaucratic" high incomes, the beginnings of a new "superior class," and so on. This has often been said before, but nothing ever seems to come of it. Are there ... lists in the Soviet Union? Are any special privileges inherited? Among significant indications Mr. Hubbard refers to luxury ... and "even" jewelry. Now even in 1932 the Soviet Union ... 22 million meters of silk fabrics. By 1936 this had risen ... million meters. The Plan for 1938 aims at producing 82 million flasks of perfume, 34 million kilograms of perfumed soap, and ... million bottles of champagne—to be increased to three million ... in 1939. With all those luxuries, the new "superior class" ... be pretty large. In fact it looks as though it would be difficult to prevent the common people from having a few luxuries.

After disparaging the productivity of the land in the Soviet Union, Mr. Hubbard deprecates the "unfortunate" Stakhanovite practice ... ordinary workmen attempt to improve the use of machinery. As a result, he says, "not altogether surprisingly, the quantity of industrial machinery in urgent need of capital repairs" has

Mr Hubbard is of the opinion that the Plan was short of fulment in 1936 and again in 1937 because of the dismissal of for-gn experts and the encouragement of mere workmen to develop ...r talents Mr Hubbard and I are both using Soviet data, but ...clusions depend upon the data selected as significant In 1936, ...he first time, fulfillment of the Plan was made conditional on ...ving every item of the requirements, and not merely crude ...als For instance, if a factory produces both large kettles and ...mall kettles, it is easy to "exceed the plan" if gross weight is taken ...s the standard, but not so easy if the quota for each item must be ...t At the same time, more rigorous quality standards were ap-...ed than ever before Moreover the purging of spies and wreckers ...m industry probably had a temporary unsettling effect, though ...s result in increased productivity in the long run In spite of ...ything, however, productivity of Soviet industry increased over ...er cent in 1936 and over 6½ per cent in 1937 (for heavy indus-... the light industry increase was higher) Neither Great Britain ... America can equal this rate of growth

Many writers have tried to explain the Soviet Union by reference ... special qualities of the Russian soul Mr Hubbard also uses ... expedient He decides that there is "a remarkable tendency for ... Socialism, originally adopted from abroad, to take on a tradi-... Russian character" The fallacy here is that Soviet Socialism ... adopted from abroad, because there was no Socialism ...d to be adopted There was only a Socialist movement, com-... to Russia and other countries, but succeeding first in Russia ...as the Soviet Union had complete Socialism ever since the ...ution It has been working toward Socialism, and now claims ... reached it, but even so, I have not heard it claimed that this ...mplete Socialism of every individual There may even be a ... of "Russian soul" here and there Mr Hubbard and I, though ...ving the same "trends over a certain period," have arrived at ...d different conclusions Mine is that the trend is away from the "...an soul" and toward an increasingly successful Socialism

PROBLEMS OF JAPANESE ADMINISTRATION IN KOREA

TADAO YANAIHARA

JAPAN'S colonial policy aims at extending into its colonies the principle of paternalistic protection followed in the home land. As applied to colonial governments this means the assimilation of the colonies into the organic structure of the Empire. The Chosen Government makes an excellent example for the study of the characteristic of Japanese colonial policy.

1. *The Problem of Financial Aid.* The Japanese Home Government has long made a practice of granting financial aid to the Chosen Government General. The grant-in-aid from the Imperial Treasury to the Special Account of the Chosen Government General under the budget of 1936 amounted to Y12,918,107, or 3.2 per cent of the budget total. From 1911, the second year of the annexation of Korea, to 1936, the amount granted for administrative purposes alone under such subsidies totaled Y311,869,089. All military expenses in Korea are borne by the Imperial Treasury and included in the General Account of the budget of the Japanese Government. Military expenses for Korea for the fiscal year [illegible] amounted to Y15 million including 12.8 million for the Army and 2.3 million for the Navy. Civil expenditure for the same year amounted to Y15.5 million, thus fairly matching military expenditure. The total military expenditure on behalf of the Chosen Government since annexation in 1910, however, exceeds the total civil expenditure.

Obviously, therefore, the administration of Korea is a burden on Japan unless the subsidies for Korean administration granted by the Imperial Treasury can be construed as an investment yielding a financial return to Japan proper, or intended to yield a return through offering a field for Japanese economic operation. In the case, the expenses met by the Japanese national treasury need not be held to imply an economic loss. The fact remains, however, th

e Chosen Government-General is not yet able to meet expenditure ... its own revenues. This fact should by no means be held to ... unfavorable criticism of the merits of the Chosen Govern-... It would seem that the most obvious measure to balance the ... would be to cut administrative expenses, while continuing ... afford greater opportunities for exploitation of the country. On ... careful examination, however, it appears that such a policy ... be apt to lead to a state of political affairs undesirable for ... people of Korea and not conducive to their welfare. In seek-... a solution to this problem, therefore, it is necessary to inquire ... the causes that have led to the financial dependence of the ... Government.

Examination of the expenditure of the Chosen Government-... reveals that there are special circumstances in the adminis-... of Korea which necessitate an expenditure in excess of the ... power of the Koreans and the financial resources of the ... The chief items of this necessary expenditure are the salaries ... police expenses and subsidies for the promotion of in-... and education.

... The Chosen Government-General is a gigantic bureaucratic ..., the majority of whose numerous officials are Japanese. ... salaries are fixed at the same level as the salaries of corre-... officials in Japan proper, with allowance of an additional ... This necessarily raises the official expenses of the Govern-... General to a level well above the tax-paying power of the K... people. In view of the increase in numbers, in recent years, ... well-educated Koreans, Japanese officials might well be replaced ... Koreans in order to reduce administrative expenses, but the ... of extending the bureaucratic system of Japan proper to the ... Government-General, and the present trend toward in-... the number of salaried men in Japan proper, will com-... Chosen Government to maintain the present number of ... officials, and the budget for salaries will therefore con-... to swell.

... Peace preservation in Korea was in the hands of the gendar-... up to 1919, when the "Banzai Riot," arising out of the agita-... for Korean independence, led to a general revision of the ad-

ministrative system. The gendarmerie was replaced by a pol-
force and administrative expenses were thereby inevitably increa-
with the result that financial aid from the Imperial Treasury, wh
had been discontinued in 1919, was renewed in the following ye
and has continued up to the present. As a result of this chang-
public peace has been well maintained ever since, but it has bee
necessary to keep up a strong police force for the suppression o
Communism and the Nationalist movement, and to keep w
on the frontiers. Korean peace is keenly affected by conditions
Manchukuo, and it will take some years before the bandit probl
in Manchukuo can be completely solved and the Korean bord
be made safe from frequent raids by Manchurian bandits. Ex
penses for the policing of Korea will therefore not allow of re
duction for some years to come.

3) The paternalistic protection of industry and education wh
is a characteristic feature of Japanese administration at home
been largely transplanted to the peninsula. After the revision
administrative policy in 1919, more emphasis was put on cul
measures. Expenses for the promotion of industry and encour
ment of education began to swell, increasing the need for finan
aid from the Imperial Treasury. Subsidies for the promotion of
dustry cannot be indefinitely continued and the time may c
when the progress of industry, as a result of these subsidies, w
provide a source of increased revenue. The early arrival of such
time depends on the speed with which the subsidized indust
enterprises can begin to yield substantial profits.

II. *The Problem of Industrial Promotion.* The most impor
occupation in Korea is agriculture, which employs 73 per cen
all households. The principal product is rice. In the early years
the Taisho Era (1912-26) the food problem in Japan proper w
subject of grave discussion. This greatly stimulated the develo
ment of rice production in Korea, and beginning with the fiscal y
of 1920-21 the Chosen Government initiated plans for the increa
production of rice. The result was an increase in the rice crop fr
14.9 million *koku* in 1920 to 17.0 million in 1935. Exports of ri
the same period jumped from 3.3 million to 9 million koku.*

* One koku = 5.1 bushels.

Such an increase in the total rice crop and in exports clearly ...ifies to agricultural progress in Korea and to an increase in ...e country's financial resources. Korea's progress in rice produc-...n, however, is considerably less than that made on sugar-cane ...ntations and in the manufacture of sugar in Formosa and the ...ndated South Sea Islands, with Japanese Government support. ...ne reason is that the colonial sugar industry occupies a monopol-... place in the Japanese market while Korean rice is imported ... Japan proper only to supplement home production. In recent ...ars rice cultivation in Japan has also made considerable progress, ...ging about a radical change in the conditions of demand and ...ly in the domestic market. The fear of shortage felt in Japan ...recent years having been eliminated, the Chosen Government-...eral was compelled in May 1934 to curtail its extensive rice ...uction program and to control and limit rice exports.

T... GOVERNMENT thereupon began to turn its attention to the pos-...sibility of promoting industrial enterprises as an alternative to ...ricultural production centering on the rice crop. Resources ... the development of industrial enterprises in Korea had until ... been considered few and insignificant and the progress of ...ory industries had been rather slow. Stimulated by the trade ... during the World War, plans for building one factory each ... the industries of cotton spinning, sugar manufacture and ce-... and iron manufacture had been initiated for the first time ...917. By the time these factories were completed, three or four ... later, the trade boom had ebbed away and the prospects of ...industries concerned were by no means encouraging. During ...same period other factories and also mining enterprises had ... undertaken, but their backers had only small financial re-... ...s which dwindled away in the depression that followed the ... The Government could do nothing but leave these industries ... ...ow their slow course of natural development while it turned ... ...ention to the program of increasing rice production, which ...llowed for years. Consequently, the relations of Korea with ...an proper were on a typical colonial footing, Korea supplying ...e home country with agricultural products and depending on

Japan for its industrial requirements, a situation characteristic of the relationship prevailing between home countries and colonies in the present industrial age.

On account of the centralization and accumulation of banking and business capital in Japan proper which followed the financial panic of 1927 Korea's industrial resources began to be exploited once again when Japanese enterprise turned to Korea as a new field for capital investment. Investigation of the possibility of industrial exploitation in the peninsula has been going on ever since 1927, when a new epoch opened in Korean industrial activity with the establishment of the Chosen Chisso Hiryo Kabushiki Kaisha (Korean Nitrogenous Fertilizers Manufacturing Company), sponsored by the Mitsubishi concern of Japan at Konan, Kankyonan-do, in North Korea. After the Manchurian Incident of 1931, semi-wartime conditions prevailing in Japan stimulated industry afresh and Korea was again surveyed in search of mineral resources that might be exploited for the development of industrialization. New plants for chemical manufactures and spinning factories have been established in increasing numbers and Korean industries have begun to show a remarkable activity in recent years. The large volume of iron ore and brown coal in Korea had previously not been considered worth exploiting because of their inferior quality, and the district had long been neglected by industrialists. The utilization of hydro-electric power, the progress of chemical industry and advances in the chemical process for the disposal of poor iron ore now made these deposits invaluable as resources for Korean industry, and North Korea has consequently become an important industrial region, following the establishment of various factories, of which the largest and most important is the Chosen Chisso Hiryo Kabushiki Kaisha.

The present activity prevailing in Korean factories and mining industries is largely due to the temporary quasi-wartime boom. With the passing of the emergency period and the consequent dwindling of the heavy industries boom in Japan proper, industrial enterprises in Korea are likely again to suffer a setback like that which followed the World War. It is, however, an undeniable fact that the industrialization of Korea has made rapid progress

...ks to the inflow of Japanese industrial and banking capital ... the impetus of the emergency period ushered in by the Man-...an Incident Not less significant is the fact that some of the ...most capitalists of Japan are backing the industrial exploitation Korea, which guarantees that the industrial development of ...country will be strongly woven into the economic structure of ... Japanese Empire not only as a source for the supply of agricul-... products for Japan proper but also as an industrial and manu-...ing country

The results which have followed the industrialization of Korea, ...th the native population and the administration, may be ...marized as follows

) The development of industries has increased the circulating ... in the country and helped Korean society in a general ...ce toward a capitalistic stage of development It has encour-...d families to leave their native villages, some of them going to ...industrial centers in their own country and some to Japan ...er and Manchukuo, thus causing a considerable movement of ...ulation

2) As a result of industrialization the Government's financial ...rces have been increased, but it is also true that the cost ...ducting a fresh survey of mineral resources and of protecting ... encouraging new industries has added new items of expense to Government budget The value of these expenses, considered as ...nerative Government investment, is much less than the value ...vernment investment in Formosa, because the industries de-...ed in Korea compete with those of Japan proper, while the ... industry of Formosa has no rivals and practically monopolizes ...markets of the Empire Important as the industrialization of ...is, it cannot expect to promise in a short space of time the ...te independence of Korean finance The Government's policy ...inuing to subsidize industrial enterprise is understood not to ... any immediate results but to be intended to guarantee a ...ny development of industry for the future prosperity of the ...try

) Korean mineral products are of kinds that are scarce in ... proper and consequently there is little competition between

Korean and Japanese mineral products, but the mineral resources of Manchukuo and Korea are similar and there is likely to be trade rivalry between these two countries in the Japanese market. This might, however, be avoided by effective measures of control on the part of the Japanese capitalistic bloc within Japan proper, Chosen and Manchukuo.

4) The invasion of the peninsula by Japanese capital is tantamount to an assimilation of Korea by the capitalistic structure of Japan. While the Chosen Government General is founded on principles derived from the Japanese administrative system at home, the economic structure built up in Korea is founded on the importation of Japanese capital. The weakness of native enterprises in Chosen corresponds to the feebleness of the bureaucratic status and political power of the Korean native. The advent of Japanese capital in Korea is the economic counterpart of the extension into Korea of Japan's administrative organization.

III. *The Problem of Educational Expansion.* Expenses incurred for the promotion of education form another heavy burden on the finances of the Chosen Government. The principal subject of study in Korean schools is the Japanese language, which is indispensable for the unification of Koreans and Japanese. In harmony with the Government's object of assimilating the natives within the administrative organism and the economic structure of the country, education in the Japanese language is intended to make possible for the natives a full understanding of the administrative system run by Japanese officials. It is intended that Japanese-speaking Koreans shall find work in Japanese industrial concerns, and the ultimate aim is the Japanization of Koreans for the sake of a cultural unification of the two peoples.

The Chosen Government General's policy of promoting education resulted in a remarkable increase in the number of elementary schools from 100 at the time of annexation to 2,358 in 1935, with 683,734 pupils. When the regular elementary schools offering a six-year course could no longer provide accommodation for all the applicants for admission, a new system was established in 1934 with the opening of elementary schools offering a short course of two years. Within one year these schools reached the number of 57

'1 35,697 pupils The increasing number of applicants for school ... ssion is an indication of the growing desire of Koreans for edu- ..n both for the sake of enlightenment and for the purpose of ..ing employment The number of applicants is far in excess ..e accommodation provided in the schools, but this does not ..ssarily indicate any slackness on the part of the Government in ..noting education It rather proves that the interest in education .. has been encouraged among the people far surpasses the ... possibilities for the establishment of educational institutions ...tion has not yet been made compulsory in Korea, yet the ..ber of voluntary applications is overwhelming. The original .. of the Government was to provide one elementary school for .. three villages This was soon revised to allow one school for .. two villages and it is now proposed to establish one school every village. (The "village" in this sense is an administrative .. comprising several hamlets) A gigantic educational scheme .. as this necessarily increases the financial expenditure of the ..nment, and it must be recognized that the Chosen Govern- ..-General's scheme of public education for the benefit of the ..e population is far more comprehensive and encouraging than ..thing that has been provided in British India or Netherlands

..ministration by Japan, the inflow of Japanese capital and the ..on of public education have all tended toward a fundamen- ..ansformation of native society The Koreans are being rapidly ..nized and even their inherent seclusive nature is undergoing ..ked change Under the corrupt and unscrupulous govern- .. the Li Dynasty which ruled the peninsula for 500 years, ..ple were reduced to abject poverty and misery and resigned ..ves to fatalism, having been robbed of all incentives to earn ..ve money Under Japanese government this inertia of the ..n people has been considerably weakened and they have be- .. be active and industrious once again The change of cir- ..ances, laying emphasis on productive labor and guaranteeing ..fety of private property, has revived the native from his tra- ..nal lethargy The Korean is no longer a victim of inertia and ..lusive hermit, but a hard and diligent worker with ambitions.

This most desirable change in Korean society is the direct re[s]
of the Government's policy of promoting industrial and educ[ational]
enterprises. It cannot, however, be claimed that the state of dev[elop]
ment attained by Korean industry and education is altogether s[atis]
factory. The Government has no doubt done its best and has [not]
shirked taking all possible financial burdens upon itself. In [all]
phases of educational and industrial activity in the country [there]
is ample evidence of its policy of paternalistic protection and [en]
couragement, designed to transform the Koreans into Japanes[e in]
every phase of their life and to absorb them into the Japa[nese]
national consciousness. In spite of this well-meant policy, howe[ver,]
the Government is not prepared to confer on the Koreans s[uch]
political rights and privileges as the franchise and participat[ion in]
the defense services. The theory of the assimilation policy is th[at]
Koreans should first become Japanized, after which political r[ights]
will become theirs as a matter of course. In the execution of [this]
policy the Government plays the part of an undemocratic [and]
despotic organization.

The Government's foremost measure in executing this poli[cy of]
assimilation is to spread the Japanese language among the na[tives.]
The same measure has been adopted in the other colonies of J[apan.]
Yet during 30 years of unstinted effort for the education of the [na]
tives, the Government has succeeded in educating not more [than]
853,613, or 3.5 per cent of the entire Korean population, to [the]
point of being able to converse in Japanese on commonplace, e[very]
day affairs. This means that it will be a long time before the [ma]
jority of the Koreans will have mastered Japanese. Even aft[er a]
foreign language has been fairly widely spread it does not ne[ces]
sarily follow that the natives of a country will change their cu[lture]
and national identity—as has been proved in the case of the I[rish.]
If equality of political rights and privileges is to be grante[d to]
Koreans only after their complete Japanization, according to [the]
theory of the Japanese Government's assimilation policy, the [time]
when the Koreans will be able to take an equal share in the poli[tical]
rights and privileges of their country is yet far off. With the gra[dual]
modernization and advancement of the social life and produ[ctive]
powers of the Koreans, their political aspirations and demands w[ill]

... grow and increase, regardless of how popular the Japanese lan-...e may become.

...s is bound to lead to a conflict between the two phases of Government's assimilation policy: paternalistic protection and ...ragement on the one hand, and bureaucratic oppression on the ...er. It would appear, therefore, that the assimilation policy ex-...ssed in the form of paternalistic protection in the economic and ...l spheres of life can be carried on only under the guardianship ... oppressive bureaucracy in control of political and military ...s. Therefore the burden borne by the General Account of the ...ral Government for aid to the civil and military expenditure ... Chosen Government General must be considered unavoidable ... colonial assimilation policy of the Japanese Government is to be ...ed. In addition to the aid granted to the civil and military ...rtments of the Chosen Government, the money spent on mili-... and other activities in Manchukuo and in the present Sino-...ese conflict may be regarded as in part an indirect national ... undertaken for the protection of Korea, insofar as the peace K... is affected by the up's and down's of Japan's military and ...l fortunes in Manchukuo and China.

W...ther and to what extent the Japanization of Korea is possible, ... extent Japan and Korea will profit by the investment made ... Japanese Home Government in the form of aids granted for ...ministration of Chosen, and what is the exact international ...ance of the strong military forces stationed in Korea as the ...m of the Government in pursuing its policy of assimilation, ...oblems which may be left for future study. The object of this ... is merely to point out some of the characteristic phases of the ...n administration and to hint at some of the problems which ...fronts.

Tokyo, December 1937

THE ARMED STRENGTH OF THE UNITE[D] STATES IN THE PACIF[IC]

ALEXANDER KIRA[LFY]

THE non intervention policy that has been pursued by [the] United States in its external relations has been translated, in mili[tary] terms, into an establishment that would be strictly defensive w[ere] it not for the size and, to a lesser extent, the composition of [its] naval forces. The defensive task in the Pacific consists in protec[ting] the country, its territories and commerce against invasion, raids [and] interference. To this end an imposing navy with 110,000 [officers] and men and 17,000 marines, representing an investment exceed[ing] $3,000 million, is based upon the West Coast, with Hawaii as a pi[vot]ing point, its wings stretching from Alaska to Panama, and outp[osts] at Guam and Manila, points which have been provided with co[n]fortifications and aerial and military protection.

This navy consists of 15 battleships, 3 of which have been red[uced] to training ship status, 17 heavy cruisers to which an 18th is to [be] added, 13 light cruisers, to be increased to 17, and 5 aircraft carri[ers], one more to be completed shortly. There are some 120 destroyers [and] another 80 in reserve belonging to the 1918-1919 period. The s[ub]marines number 50, excluding 30 not in commission, 5 more wi[ll be] delivered during 1938. The fleet is divided into a Battle Force an[d] Scouting Force. The twelve 30-33,000-ton battleships in the [first] group (7 were modernized in 1930-35) will be augmented [by] the *North Carolina*, whose keel was laid at the Brooklyn N[avy] Yard on Navy Day, 1937, and the *Washington*. These will be 35,0[00]-ton vessels, at present planned to carry 9 16-inch guns in th[ree] turrets. They will steam at approximately 28 knots, and enj[oy] the fullest protection against all modes of attack by virtue of h[eavy] armor, anti torpedo bulkheads and internal arrangements.

The *West Virginia*, flying the flag of the Commander of [the] Battle Force battleships, the *Colorado* and the *Maryland* moun[t 8] 16-inch guns each. The *Pennsylvania*, flagship of the fleet, t[he] *California*, carrying the Commander of the Battle Force, the *Ar*[izona]

[illegible], *Idaho, Mississippi, New Mexico* and *Tennessee* are armed [illegible] 12 14-inch guns, and the armament of the *Nevada* and *Oklahoma* consists of 10 14-inch guns. Each battleship carries a secondary [illegible] anti-aircraft armament of 5-inch guns, numerous lighter weap[ons], 2 catapults and 3 observation seaplanes. The average speed is [illegible] knots, the water line armor is 14 inches and that of the turrets [illegible] inches in thickness, the greatest carried by any warships afloat. [There] are accommodations for from 1,200 to 1,800 officers and men [per] ship, of whom about 80 per cent are carried on a peace-time [illegible].

Of the [illegible] light cruisers serving as a "screen" for the battleships, [illegible] 7,000 tons and mount 10 6-inch guns, and 3 are of the [illegible]-ton 15 6-inch gun class, of which 5 more will be de[livered] by the end of 1938. The *Marblehead* belonging to this group [has] been on duty in Chinese waters.

[The] [illegible],000-ton 35-knot aircraft-carriers *Saratoga* and *Lexington*, [and the] 14,500-ton 30-knot *Ranger* constitute the 1st Division of [the] "Aircraft, Battle Force." They have been extensively improved [in] the past two years and still greater alterations are in pro[gress]. The first two vessels mount 8 8-inch turret guns and 12 5-[inch] [anti]-aircraft weapons and can carry nearly 90 bombing, tor[pedo], [fi]ghting, scouting and observation landplanes, 70 of which [are] kept in readiness, the balance being demounted. It is under[stood] [that] a still greater number of demounted planes may be car[ried]. The *Ranger* has room for 80 ready planes. Between dawn [and] [sun]set each of these ships can "patrol" over 60,000 square miles [illegible]. The *Lexington* has accommodations for the largest crew [illegible] men. The 20,000-ton 33-knot carriers *Yorktown* and *Enter[prise]* were launched in 1936, but necessary changes delayed their [joining] the fleet. They carry 12 5-inch guns and 80 planes on their decks, below which are quarters for some 1,600 men. When [joined] by the *Wasp* they will form the 2nd Division of the car[riers] with the *Yorktown* as flagship.

Under the organization which became effective in October 1937, [all] fleet destroyers were transferred to this group, making a [grand] total of 85, 9 of which displace 1,850 tons; some 35, 1,500, [and] the rest, 11-1200 tons. The usual armament is 4 4-inch or 5 5-inch

guns They carry 8 to 12 torpedo tubes, speed at 35 knots or better The average complement is 150 men Light minesweepers accompany the Battle Force

The Scouting Force comprises 16 heavy cruisers of 10,000 tons with 8-inch guns, operating ahead of the battle fleet The big cruisers carry 4 seaplanes and have quarters for 700-900 officers and men . this group has recently been transferred the command of the aircraft tenders *Wright, Langley*, and 8 840-ton tenders, with their planes well as of the air forces (naval) at Pearl Harbor, Hawaii, Coco Solo, Canal Zone and Seattle, mustering some 250 planes The purpose is to concentrate all scouting facilities in this group, just as the fleet striking strength has been crowded into the Battle Force The three older 27,000-ton battleships *New York*, *Texas* (10 14-inch guns), and *Arkansas* (12 12-inch guns), "modernized" 11 years ago, the demilitarized *Wyoming*, and 15 1,100-ton destroyers, constitute the Training Detachment which has been operating in the Caribbean Sea

At Pearl Harbor are stationed some 15 submarines, with 4 destroyers, 10 are at San Diego, 6 at Coco Solo, and a group of 6 forms part of the Asiatic Fleet Each unit is provided with tenders and rescue vessels These underwater craft displace from 700 to 2,700 tons, mount 1 medium gun, apart from the 2 6-inchers on the *Argonaut*, *Narwhal* and *Nautilus*, and 4 to 6 torpedo tubes, and at times carry a full crew, averaging 50

The Asiatic Squadron consists of the 10,000-ton cruiser *Augusta* which received its baptism of fire at Shanghai, three 1,200-ton patrol boats and one of 700 tons, the 6 small gunboats of the Yangtze Patrol (of which one, the *Panay*, was sunk by the Japanese) the *Mindanao* of the South China Patrol, and 13 destroyers with a tender

At the Canal Zone there is the Special Service Squadron 2,000-ton gunboat *Charleston* and 4 destroyers The *Omaha*, a 7,500-ton light cruiser, and two destroyers are assigned to Spanish waters.

The auxiliaries in the Pacific are stationed at San Diego and San Francisco. The latter is the home port of the naval ammunition ships *Nitro* and *Pyro*, the transport *Chaumont*, a 17,000-ton oiler and an 11,500-ton cargo ship, the *Sirius* At San Diego are 3 repair ships

; store-ships, four 1,000-ton tugs, 4 big, lightly armed oilers, 8 large ne sweepers, the hospital ship *Relief*, and the old 22,000-ton battle- , *Utah* Appropriations have been asked for a number of addi- al vessels Where a fleet must operate over such tremendous dis- nces, its "mobile base" of auxiliaries should be designed to include ced armor and appreciable gunpower

Swarms of miscellaneous craft are scattered among the various d stricts, ranging from old battleships to small minesweepers ugs and 75 foot former Coast Guard boats, serving as district pa- , and valuable for anti-submarine work Of the 100 Coast Guard ers 40 are in the Pacific

The grand total of the ships of the fleet, excluding harbor craft, plus 180 vessels not in commission There are approximately naval planes

In addition to the 2 light cruisers, 20 destroyers and 10 sub- es scheduled for delivery in 1939-40, provision has been made r the regular 1939 appropriations to construct 2 battleships, 2 cruisers, 8 destroyers and 6 submarines The "Billion Dollar" ense Program calls for 2 additional capital ships, 2 aircraft car- s 2 light cruisers, 25 destroyers and 9 submarines After allow- for decommissionings in the two latter classes, the result will be of 18 dreadnaughts, 8 aircraft carriers, 18 heavy cruisers, 29 cruisers, some 150 destroyers, 60-65 submarines, 3,000 naval air- s and a dirigible The new capital ships will probably displace ,000 tons, which may also be the case with the *Washington*

Of the $200,000,000 invested in naval shore establishments in Pacific area, Pearl Harbor heads the list with $55,000,000 keystone of defense, as its possession by a foreign power jeopardize the entire system None of the other islands in Hawaiian group has a port suitable for naval use. Hilo and in Hawaii Island, Lahaina in Maui, Nawiliwili in Kauai, are open roadsteads where ships would be subject to torpedo at- The seizure by an enemy of any island but Oahu would con- ntly confer few advantages.

In addition to the submarine base, Pearl Harbor has a navy yard repair facilities, a 1,000-foot drydock, to which a floating dry-

dock is to be added, a fuel depot and a naval hospital, and ammunition depots, the smaller, on Kuahua Island, containing mine storage building One hundred planes, mostly of the "patrol bomber" type, are at the $5,000,000 Fleet Air Base The Naval Station is garrisoned by the Marine Corps Although this ideally landlocked inlet is sufficiently large to receive the entire fleet, it is at no place more than 4 miles from the ocean, so that reliance must be placed on seacoast artillery for protection

As in the case of all naval bases, the army has been called on for the land defenses of Oahu, where the blue and white colors of the Hawaiian Department float over a force of 18,000 officers and men of all arms except cavalry About 6,000 of these men constitute five regiments of the Hawaiian Separate Coast Artillery Brigade the 15th and 16th "big gun" Regiments, the 41st armed with railroad guns and mortars, the 55th with its tractor-drawn "GPF" and the ubiquitous 64th Anti-Aircraft Regiment Though the batteries of the first two regiments are based upon areas called forts they are devoid of protection for the guns and their handlers despite the fact that some are of the "disappearing" type While this is standard construction, recommendations for protection have been made from time to time, Major C W Bundy having recently revived the issue The ammunition magazines and control chambers however, are both bomb- and gas-proof, and appropriations have been made to improve the material in Hawaii as well as on the mainland, as a result of statements made by General MacArthur in 1935

Forts Kamehameha and Weaver, facing each other across the entrance to Pearl Harbor, are manned by the 4 batteries of the 15th Regiment, the latter, as well as the post of Barrett, normally having no garrison The former, named after the famous Hawaiian King, consists of the great Williston, Closson, Selfridge and H[illegible] Batteries of 12- and 16-inch long-range "rifles" The bigger gun [illegible] feet in length and weighing, with its carriage, close to 5[illegible] requires 850 pounds of powder to hurl its ton shell more than [illegible] miles at the normal rate of a shot every 45 seconds Six-inch guns are attached to these groups for use against an enemy unworthy of the attention of their monster brothers

Honolulu lies in the sphere of the 16th Regiment, both of whose [illegible] are to the east of the city Fort de Russy, on Waikiki Beach, [illegible] 14-inch disappearing guns and 4-gun 12-inch mortar bat[illegible] Fort Ruger, the headquarters of the Brigade, is nestled [illegible] up the northern slope of Diamond Head, one of the lookout [illegible] of the 9th Signal Company The 41st Regiment, based on [illegible] Kamehameha, "riding" 8-inch railroad rifles and 12-inch rail[illegible] mortars, is available for the defense of the naval base and the [illegible] well as other sections of the coast that have been tracked [illegible] weapons may be fired from the traveling platforms with [illegible] preparation While the 6 batteries of the 55th Regiment are [illegible] distributed between Fort Kamehameha and Ruger, they [illegible] concentrated at any point, ferried over to one of their war [illegible] on Sand Island, in Honolulu Bay, or even transferred to other [illegible] These 6.2-inch tractor-drawn "great precision" guns, dis[illegible] by their two widely separated trails, throw shells through [illegible] [illegible] sector at the rate of three a minute At Fort Shafter, on [illegible] western outskirts of Honolulu, and 3 miles from the reefs, are [illegible] the 9 batteries of the splendid 64th Anti-Aircraft Regi[illegible] whose motto is "We Aim High," and slogan "No Enemy Reach Oahu!" A huge fleet of trucks bears their 3-inch guns, [illegible] searchlights, giant four-eared sound-detectors, ammunition [illegible] machine guns There are over 2,000 army vehicles on the island Midway between Honolulu and Pearl Harbor, 4 miles from shore [illegible] a salt lake, rises the extinct volcano Aliamanu, into whose [illegible] has been carved an immense army ammunition depot secure [illegible] all means of attack Fort Armstrong, on the right hand as one [illegible] Honolulu Harbor, is but lightly armed, and does not come [illegible] the jurisdiction of the Coast Artillery Brigade

Most of the Regular Army troops are at Schofield Barracks, 25 [illegible] northwest of Honolulu, and 7 miles from the nearest points [illegible] coast at Waialua and Waianae This little army is composed [illegible] regiments of infantry, the 19th, 21st, 27th and 35th, the 3rd En[illegible] the 11th Tanks Company which has received 50 new light [illegible] and a motorized chemical battalion for gas warfare The mech[illegible] artillery comprises the 8th and 13th Regiments, armed with [illegible] improved type of the famous 75 millimeter gun, and the 11th,

6 2-inch weapons There are also 9 6-inch howitzers. The ordnar. department is represented by the 11th and 74th Regiments, deta. ments from the latter being stationed at Fort Armstrong, avail. to adjust and repair the coast guns Then there are the 11th S g. Corps (including a carrier pigeon unit), the 9th Signal Serv Company, the 11th Quartermaster Regiment, two of whose c. panies are at Fort Armstrong, and the 11th Medical Regim furnishing detachments for all the coastal forts. Tripler Gen (Military) Hospital is some 300 yards south of Fort Shafter

Because of its highly strategic position, the aerial forces on O fill a position of particular importance On the planes will : large part of the duty of detecting enemy forces approaching West Coast, calling for continuous long distance patrols, inclu one of 2,500 miles to Alaska There are the further tasks of ing the shots' for the coastal batteries, keeping the enemy's sp and bombing planes at a distance, and assisting in escorting su ships to the islands, where the food supply would only last 50 because the inhabitants devote most of their efforts to the pro tion of sugar and pineapple There is a "wing" of 13 squadr headquartered at Fort Shafter, which has a composite squad The 2 observation squadrons are stationed at Luke Field, on Fo Island, in Pearl Harbor, 3 miles from the inlet, where are also cated the 3 bombardment squadrons and one of the two serv squadrons The rest of the wing—3 pursuit, 1 attack, 1 serv squadron and the photo section are at Wheeler Field, Schof Barracks At full strength they number some 200 planes M General Hugh A Drum, who was in charge of the Hawaiian D partment until last summer, recommended a 300 per-cent incre in the island airforce

In addition to the $18,000,000 Hickam Field shortly to be co pleted near the naval base, with its 4,000-by-800-feet landing m and John Rogers Airport, 1 mile east of Fort Kamehameha, th are a dozen auxiliary landing fields on the islands, such as Bell Field, near Waimanalo, Oahu; Burns Field at Port Allen, on south coast of Kauai, and Suiter Field with its new barracks at westerly tip of Hawaii Island. A number of "aerial outposts' strung out to the west and south of Hawaii, tiny coral islands wh

have been described as "aircraft-carriers" by a Japanese ad-
he public lands on Midway Island, a touching point for the
lippers and the San Francisco-Honolulu-Guam-Manila cable,
r the control of the Navy Department, as are Johnson and
lands Howland, on the route to Samoa and Australia, comes
he jurisdiction of the Department of the Interior, while
Island is a part of the Territory of Hawaii.

work is under consideration with respect to the northern
minus of the "Pacific Patrol"—Alaska This includes the
ion of an important naval base at Dutch Harbor, smaller
the west as at Kiska and Seward, and a giant airport at
s with smaller landing fields elsewhere At the present time,
attention is being mainly devoted to surveying, observa-
weather conditions, and accustoming the ships to navigat
waters Last summer numerous heavy cruisers and des-
isited such points as Wrangell, Ketchikan, Juneau, Yakutat
, which is receiving a permanent air squadron Air flights
dertaken, that from Kodiak to Seattle being made in one
nificance may attach to the voyages of the 11,500-ton naval
ip *Sirius* to Dutch Harbor, and particularly to Pribilof
part from the provisioning of the seal rookery at that point
an airfield at Anchorage, and the navy maintains a radio
it Dutch Harbor and direction-finder stations on Cape
brook and Soapstone Point. The 1,800-ton Coast Guard
da is stationed at Cordova, its 4 smaller consorts being at
the points indicated above, while the U S Army Quarter-
orps vessel *Capt J. Fornance* of 100 tons is at Chilkoot
This establishment, near Skagway, having the appearance
sperous farm hemmed in by forests against a background
tains, quarters 2 companies of the 7th Infantry and detach-
auxiliary troops, totalling 500 men. A strip of land run-
ne 250 miles along the Arctic Ocean about Point Barrow,
nding 125 miles inland, constitutes Naval Petroleum Re-
4

the fleet is at present concentrated in the Pacific, there
ing when it may be of vital importance to execute prompt

movements between the oceans This is made possible by the Panama Canal, in the 10 mile wide Canal Zone In April 1934, ships of the fleet, including the largest units, made the transit in 48 hours, which could be reduced in an emergency To this area has been assigned a force of 13,000 officers and men One regiment of Coast Artillery is posted at each end, manning all types of guns from the big 14 and 16 inch rifles to the 6- and 3 inch guns of smaller batteries There are also 14-inch guns and 12-inch mortars on railroad carriages The 14 inch railroad guns can only fire from circular sections of track, which makes aiming difficult, or by being placed on permanent mounts, requiring 2½ hours of work during which time the enemy may well have struck and retired General Gulick, in 1932, consequently spoke unfavorably of the coast defense work

The First Regiment holds Fort Randolph Scott, on the Atlantic side near the Coco Solo naval station, and Fort Sherman, across the canal entrance The Pacific terminal is in the hands of the Fourth Regiment, based on the "Fortified Islands — Fort Amador, with its long row of white two storied barracks backed by a field of oil tanks, and Fort Grant, on the Island of Naos, at the end of the breakwater, to which the railroad guns are able to proceed Batteries of 16 inch guns are hidden against the jungle foliage of Cerro Bruja The 14th Infantry is at Fort Davis, 6 miles from the Atlantic entrance near the Gatun Locks, and the 33rd Infantry at Fort Clayton, 4 miles north of Fort Amador, where is also located the only regiment of field artillery in the Zone, the Second, with its stubby 75 mm howitzers While the 11th Engineers have their headquarters at Corozal, near Colon, their services are required throughout the length of the Canal, one of their duties being to keep open jungle trails to the anti aircraft gun positions At Corozal are the 2 ordnance companies The Panama Signal Corps is stationed on Quarry Heights, to the northeast of Amador, where it maintains a radio station, of which there are a number in the Zone

In addition to the submarine base, a drydock is available at Balboa for battleships, aircraft carriers and cruisers, and at Cristobal for destroyers and submarines In an emergency the locks of the Canal would serve such a purpose The mine-layer *Gen Wm H*

...ham is at Fort Sherman Precautions have been taken to prevent ... to the locks, and the floating cranes *Hercules* and *Ajax*, ... of lifting 250 ton weights, the salvage ship *Favorite*, 2 ... cranes, and tugs are provided for the assistance of damaged ... and the removal of wreckage

By virtue of the 1916 treaty with Nicaragua, the United States ... given in perpetuity the right to construct an alternative canal ... that country, which may some day be deemed advisable ... islands in the Caribbean were leased for a term of 99 years, ... renewal right for a like period, and the privilege was given ... establishing a naval station in the Gulf of Fonseca, on the Pacific ...

... Canal Zone, 11 air squadrons are stationed, representing ... at full strength, operating from Albrook Field, in the ... of Amador, and France Field, on the Atlantic side. A com... headquarters squadron, an observation squadron, the bom... squadron and photo section are at France Field, leaving ... headquarters, 5 pursuit, the observation and service squad... the Pacific side.

In the event of an enemy escaping detection and attack by the ... and submarines of Hawaii and the ships and planes of the ... approaching the West Coast, he would have to run the ... of 18 squadrons, with a war strength of over 250 planes, ... include 7 bombardment and 4 attack squadrons Of these, 10 ... are kept at March Field, 40 miles from the coast at a ... between San Diego and Los Angeles The next larg... concentration is the 6 squadrons at Hamilton Field, San Francisco ... the coast squadrons are the aircraft available from all over ... United States As of Jan 1, 1938, the total number of military ... was 1,200 first-class and another 450 requiring replacement ... end of 1938 a total of 1,800 first-class "ships" is planned

... the 165,000 officers and men of the United States army, 18,000 ... the West Coast area, with 30,000 more close by centered at ... Sam Houston, San Antonio, Texas Communications with the ... over strategically routed rail and automobile roads Coast ... is facilitated by the fact that there are only a few towns ... protection, and these coincide with the naval base areas,

the other towns being very small, many mere lumber camps A number of 14 inch railway guns are available for points beyond fortified sections Three regiments of big gun and one of anti craft coast artillery have been allocated here The batteries of 3rd Regiment are to be found at San Diego, Los Angeles an the mouth of the Columbia River Those of the 6th are con trated at San Francisco and of the 14th at Puget Sound The (Anti Aircraft) have their headquarters at Los Angeles.

Fort Rosecrans, on Point Loma, guards the channel to the bor of San Diego, one of the world's ten greatest, and comp protected from torpedo attack As one enters the harbor, the Depot with its great oil tanks is to the left, on the Point, while to right, on the flatlands of North Island, are the naval and mi landing fields, immense hangars and 250 buildings bordering its acres This $15,000,000 undertaking is being considerably incre by a barracks, etc Then come the Naval Training Station and adjoining Marine Corps Base, and Lindbergh Field, the home the Consolidated Aircraft Corporation, from whose spacious bu ings dozens of patrol bomber seaplanes take off for the 21 trip that delivers them to far-away Pearl Harbor as well as to Canal Zone Farther on lies the Navy Sports Field with its lar piers, and finally the Fleet Destroyer Base, the anchorage of destroyers and light cruisers Here are located a 2,500 ton flo drydock and marine railway Including the magnificent shi buildings of the Naval Hospital, the Government's naval inv ment alone at this point is rapidly passing the $40,000,000 mark

The second most important port in the United States, Los A geles, with its long breakwaters, is practically the home of the being the usual station of the battleships, heavy cruisers and craft carriers, although the latter have been showing a prefer for Alameda, which will receive a naval air station to cost event $13,500,000 The harbor is defended by Fort MacArthur and its b teries at Point Fermin, at the southern entrance to the harbor Santa Monica, a few miles to the north, is the plant of the Doug Aircraft Company, which supplies the navy with coastal-patrol torpedo-bomber planes.

In approaching the naval base at San Francisco from the sou

...th Coast Artillery batteries on the cliffs at Fort Funston are ...ssed before reaching the Golden Gate, whose two-mile outer en... ...nce is commanded by Forts Miley and Barry. The new bridge con... ...ts the latter with Fort Winfield Scott on the city side Fort Barry ... joined to Fort Baker by a half-mile tunnel through the hills to ... ...ast New 16-inch guns are being added to the 12-inch weapons ... these posts and to new emplacements in the vicinity Mining ...ctices are held in these waters, as they are elsewhere, the new ... Col Ellery W Niles, considered the world's finest mine-layer, ...ving been assigned to Fort Winfield Scott. These mines, of which ... may be planted in a few minutes, are extremely efficient. Be... ...d Fort Winfield Scott lie the extensive grounds of the Presidio ... the barracks of the 30th Infantry and detachments of other serv... ... Crissy Aviation Field, the administrative post of Fort Mason, ...ing Alcatraz Island, and Fort McDowell, on Angel Island, from which men are shipped to and received back from overseas

Hatchet shaped Hamilton Field, base of the bombing squadrons ...near the northern end of San Francisco Bay, facing the powder ...rks on Pinole Point, north of which are Mare Island and its ...vy Yard, joined to Vallejo by the new causeway Mare Island has ... ammunition depot and two drydocks, one suitable for destroyers ... submarines, the other for cruisers and fleet auxiliaries A third, ...st $3,500,000, has been authorized The Navy Yard, which ... the battleship *California*, the heavy cruisers *San Francisco* *Chicago* and many other warships, has recently specialized in ...marines At the entrance to Suisun Bay, around the corner from M... Island and close to Benicia, are the Army Arsenal and the ... Ordnance Company At the southern extremity of the 50-mile ... is Moffett Field, with a few of the dozen balloons still in the ... Here are also located the yards of the Bethlehem Shipbuild... Corporation, which just completed two destroyers, and was re... ...sible for a dozen of the older submarines now with the fleet ... important naval ammunition depot is hidden away behind ...ranges of mountains, at Hawthorne, Nevada, 250 miles west ... San Francisco Seventy thousand acres, believed to hold 650,... barrels of oil in the most accessible rock formations, have ... set aside in the San Joaquin Valley, California, to insure a

fuel supply for the United States fleets of the distant future. Im-
measurably greater stores may lie beneath these deposits.

No other armed stations are encountered until the mouth of the
Columbia River, 750 miles to the north. New jetties between C
Disappointment and Clatsop Spit have reduced the entrance
this river to 2 miles in width, thus facilitating the task of the m
laying crews at Fort Stevens, at the base of the Spit on the Ore
side, and manned by one of the batteries of the 3rd Coast Artil
Caretaking units are in charge of the guns at Forts Columbia a
Canby, on the Washington bank of the river. The troops in
sector are at Vancouver Barracks, across the river from Port
Oregon, and are composed of the 7th Infantry and supporting
tachments, with members of the air corps at Pearson Field.

Bremerton, Washington, the only base in the eastern Pacific o
than Pearl Harbor and Balboa equipped with a drydock ca
of receiving a battleship or aircraft carrier, besides another so
for smaller vessels, is situated deep within the intricate recesses
Puget Sound, below the torpedo station at Keyport and opp
Seattle. A few destroyers are being built in this yard, from w
were launched such vessels as the heavy cruisers *Astoria* and *Lo*
ville. Private yards at Tacoma produced the light cruisers *Cincinn*
Milwaukee and *Omaha*.

The narrows at the entrance to Puget Sound are dominated
a group of forts in the Port Townsend area. Fort Worden is g
risoned by the headquarters and 3 big-gun batteries of the 1
Regiment, while caretaking detachments are posted at Forts C
Flagler, Townsend, Ward and Whitman. Port Angeles on J
de Fuca Strait quarters several companies of topographic engine
In Canadian territory opposite, where is located the naval sta
of Esquimault, the Dominion Government has recently voted $
000,000 for increased coast defenses. At Fort Lawton, in the he
of Seattle, are companies of the 6th Engineers, and detachme
from the ordnance, signal service, quartermaster and other serv
A detachment of the Air Corps is at Boeing Field, as well as
plant of the Boeing Airplane Company, makers of fighting planes.
A navy air field is at Seattle, and a large military airbase is planned
for Tacoma, a score of miles south of which are the headquarters

- the troops in this part of the country—Fort Lewis. This force is posed of the 9th Field Artillery (6 2-inch guns) and the 10th — mm), both motorized; the 3rd Tanks Company and Signal s, a part of the 6th Engineers, an observation air squadron, a section and the 15th Infantry, late of Tientsin, China.

Beyond the strictly defensive limits described above lie the Phil ppines, Guam and Samoa. The establishment in China was re d this spring from 4,000 men to 1,700. The Fourth Marines re- Shanghai, 250 form the Embassy Guard at Peiping, and an number have replaced the infantry at Tientsin. The Sixth ..., after a short stay in Hawaii, return to the West Coast. The stations at Guam and Samoa are principally administrative. At ..., Samoa, is the station-ship *Ontario*, a 900-ton ocean-going tug ...ting 2 3-inch guns. A body of marines is stationed at Guam. ...s not known whether the old armament has been improved ...s the usual radio station, the tanks of the 3,800-ton *Robert L.* ... serve for oil storage, and there are a few smaller vessels. How- ...e harbor Apia appears to be too much exposed to the fire ...enemy from a number of directions to warrant the creation of ...e base for which some have clamored.

Manila, on the other hand, is strongly fortified against naval ... by means of batteries erected upon islands in the 13-mile ... of Manila Bay. Corregidor Island, 3 miles from the north- ... is the site of the headquarters at Fort Mills. Fort Hughes, ...o Island, is 2 miles from Corregidor. Fraile Island, with ... Drum, is 6 miles farther south, flanked on the west by Fort ... on Carabao Island. To the north, at the mouth of Subic ... the gateway to Olongapo, is Fort Wint.

Corregidor is a strong fortress. Quartered on this 4-by-1½-mile ... "... of the Philippines" are numerous 10-, 12- and 14-inch long- ... batteries and the 12-inch mortars set in the "sunken gardens" ... 59th and 91st Coast Artillery Regiments, 5 batteries of the ... guns of the 92nd, and the 6 anti-aircraft batteries of the ... On the highest elevation stand the concrete rows of Topside ...s, the longest in the world, half of the troops being housed ... top and the rest at a point two thirds of the way down the

northern slope. A mile east of the fort proper is Kindley Field [illegible] at the dock the mine layer *Col Geo F. E Harrison*. Also at [illegible] Mills are the 4th Chemical Company, the 10th Signal Service C[illegible] pany, etc Detachments of the medical corps are at all posts.

Fort Hughes, on Caballo Island, is armed with 12-inch mor[illegible] from the 59th and a detachment from the 92nd. Fort Drum [illegible] Fraile Island, is particularly interesting, being the only Amer[illegible] fort with guns mounted in turrets set in concrete, and aptly ter[illegible] the "concrete battleship" Detachments from the 91st are at [illegible] Frank, and from the 91st and 92nd at Fort Wint. There are [illegible] landing fields on the smaller islands, so they can only be rea[illegible] by boat or seaplane On the southern shore of Manila Bay, mid[illegible] between Manila and its "Gibraltar of the East," is Cavite, the na[illegible] base and home of the Asiatic Squadron, with its fuel and ammu[illegible] tion depots, Marine barracks, etc The drydock, capable of tak[illegible] any ship, is at Olongapo It is the *Dewey*, which reached its pre[illegible] port early in the century after being towed 193 days via the S[illegible] Canal

The military establishment is based on Manila and Fort W[illegible] McKinley, between the city and the naval station It consists o[illegible] 31st, 45th and 57th Infantry, the 14th Engineers, 75th Ord[illegible] Company and the 12th Signal Company Four air squadrons [illegible] a photo section are at Nichols Field, near Cavite The field [illegible] tillery—the 3-inch (pack) howitzers of the 23rd and the 75 [illegible] guns of the 24th Regiment are 60 miles north at Fort Stotsen[illegible] together with the 26th Cavalry of Philippine Scouts and the [illegible] Ordnance Company The 3rd Pursuit Squadron is at nearby C[illegible] Field Auxiliary airfields are at Mequire, Wole, Zettel and B[illegible] side Fields Two companies from the 45th Infantry and de[illegible] ments of other arms are at Pettit Barracks, Zamboango, near W[illegible] Field At Camp John Hay, Baguio, 170 miles from Manila [illegible] is a similar group Baguio is also the site of the new Phili[illegible] Army School The troops in the islands total 11,000, of which [illegible] are Philippine Scouts, exclusive, of course, of the newly form[illegible] Philippine army While their strength is multiplied manifo[illegible] the wild, rugged nature of the country, it is manifest that [illegible] could merely delay a powerful enemy

Under Section 10 of the Act providing for the Complete Independence of the Philippine Islands, the United States retains the right to maintain naval and fueling stations. In view of recent developments in Eastern Asia, President Quezon has intimated that the retention of American sovereignty might be desirable, and serious thought is being given in Washington to a reexamination of the whole independence question However, if the naval stations are to be kept while the military areas, including the powerful island forts, are relinquished, arrangements will have to be made, under paragraph "(b)" of the Section in question, to guarantee continued freedom of access between these stations and the South China Sea These would be of a territorial nature, a point which, unfortunately perhaps, was not provided for under the Act Sight may also be kept of the fact that, with the sole exception of Vladivostok, the Philippines, with their unexcelled base possibilities, constitute the only remaining spot from which decisive Western influence may be exercised in the Far East

New York, March 1938

GREAT BRITAIN AND JAPAN'S WAR ON CHINA

O. M. Green

For the second time in 10 years Great Britain is faced w a most serious challenge to its ancient ascendancy and widespr interests in the Far East. In 1926 and 1927 the whole force of Chi nationalism was turned against Great Britain, which was vi as the archimperialist and tyrant and subjected to a ferocious t boycott from the effects of which, in the loss of certain lines business to foreign competitors, it has never wholly recovered. T manner in which the attack was met is a lesson in the possibly o sional benefit of turning the cheek to the smiter. The Han British Concession was given up, and although a British defe force of 20,000 men, subsequently reinforced by American and Fr troops, was sent to hold Shanghai, they remained strictly on gu not one Chinese lost his life through their coming.

Whether the same policy of masterly inactivity, still appa the one to which the British Government adheres, will pr similar good results in the present crisis, the future will show. danger to British interests, implicit in the Japanese invasion of C is the danger of all nations alike. The failure of other powe intervene and the fiasco of the Brussels Conference obviously c vinced the Japanese soldiers that they may do precisely wh please in China. They have utterly outstripped the more pac intentions of Tokyo, just as they did in Manchuria, and are w out of control. It is true that Japan has repeatedly asserted th will respect the rights of foreign powers. But apart from the pe interpretation of ordinary words, when used by Japanese diplo such assertions are valueless. For as matters are going, either J will succeed in dominating all China (and the example of M churia shows what this would mean for the business of o nations), or it will only succeed in hanging precariously on t chief towns and railways. Even to this day, operations in Man against bandits, irregular troops, whatever they may be called Japan between 30 and 40,000 casualties every year—killed, wo

. . ill And Manchuria is nothing compared with what China might . . What trade would be worth for anyone, under such conditions, . . be left to the imagination.

Great Britain's connection with China has now a history of over . . years, for it was in 1684 that the East India Company first sent . . to Canton The expansion of British sea power in the eight- . . nth century, and especially the victories of Clive and Warren H. . ings in India, gave the British traders an unapproachable pre- . . nence over all others, and, as Dr Latourette has pointed out, by . . , when the Americans first came to Canton, the British were . . ders who represented the interests of all others. In 1842, the Treaty . . Nanking traced the outlines of extraterritoriality, the details being . . d in by the treaty which America concluded with China the next . . . and opened up four more ports to foreign trade, the most . . rtant of which was Shanghai Hongkong, at that time an arid, . . . d rock, was also ceded to Great Britain It has been con- . . ured that the mandarins who signed the Treaty had but the . . . est idea of where Hongkong was Neither side had any con- . . tion of the immense importance it was to attain; indeed there . . . many angry questions in Parliament as to what the use of the . . . could ever be

That Great Britain should take the lead in thus breaking through . . closed doors of China was a natural part of the vast, worldwide . . . nsion of British trade and empire through most of the nineteenth . . ary Until the Sino-Japanese war of 1894-95, Great Britain was . . st the only power that counted in China America's promising . . . and influence—associated in the T'ai-p'ing Rebellion with the . . e of Burlingame and the "Ever Victorious Army"; and, in the . . ning of Japan, with that of Commodore Perry and his "black . . . suffered a severe set-back through the Civil War Russia, . . both political and territorial designs, had been advancing . . . rously in Siberia and Manchuria since the Treaty of Nerchinsk . . . , but did not fully show its hand until after the Sino-Japanese . . . , when it forced Japan to give back the Liaotung promontory to . . na—perhaps the true starting point of all the troubles today . . rmany's effective influence may be dated from 1898, when it . . racted Kiaochow from China as the price of two murdered mis-

sionaries. France's share in the China trade has never been grea although it had the wisdom to retain its piece of Shanghai as French Concession in 1863 when the British and American Concessions were amalgamated into the International Settlement. Japan had only emerged in 1854 from the medieval seclusion in which its people had lived "like frogs in a well," and for many years after the Meiji Restoration of 1868 the country was engrossed with its own affairs. Great Britain was the only power equally and anxious to seize the opportunities which China offered, and history in the Far East during the past 100 years is starred with great names. Sir Robert Hart and Sir Richard Dane organized Maritime Customs and the Salt Gabelle, the backbone of Chinese Government finance.

The catalogue of British interests in China and Hongkong includes five banks, headed by the Hongkong and Shanghai Bank, which is the special glory of British enterprise in China, as it was founded by the local merchants and its head office has always been not in London, but in Hongkong, two shipping companies which serve all the coasts and rivers of China, mills and factories, docks and wharves, much landed property, insurance and mercantile business. It may be added that the Shanghai-Nanking Railway, Shanghai-Hangchow, Peiping-Mukden, Canton-Kowloon, half of the Tientsin-Pukow, and the last and most difficult portion, about [illegible] miles long, of the Canton-Hankow Railway were built with British money. Altogether the value of British interests and investments in China has been estimated at some G $1,250 million: it might be more, it could scarcely be less. And with this must be remembered the intangible yet possibly most valuable asset of all, prestige. There is little doubt that for one school of Japanese thought today the destruction of British prestige is at least as much the aim as the conquest of China.

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[1] Actually there never was a precisely defined American Concession at Shanghai as there was a British one. It "just growed," north of the Soochow Creek, its existence being recognized *de facto* in the amalgamation of 1863. Seeing that Hongkew and Yangtzepoo make up all this area north of the Creek, it is obvious that man[illegible] would have been spared if they had been retained as an American Concession. [illegible] Japanese would no more have been able to use them as a base of military operations than they have been able to use the French Concession.

The two most vulnerable points in the British structure are ...usly Shanghai and Hongkong British trade in North China ... never been comparable to that in the center and south Shang-... is without comparison the most extraordinary town in the w...ld Upon the swampy tract of ground northwards of the ... Chinese city which the first British Consul, Captain Balfour, ...ned from the Chinese authorities 95 years ago, with permis-... for the foreign merchants to buy land, build houses and ...nage their own affairs in it, has grown up the wealthiest city ... Asia, with a population of a million Chinese and some 50,000 ...eigners drawn from 42 nationalities. It is the commercial, in-...rial and financial nerve center of China As noted already, it ... reconstituted in 1863 as a French Concession and an Inter-...onal Settlement,[2] around which has recently grown up an ...rmous Chinese area known as Greater Shanghai In recent ...ars the predominantly British character of the Municipal Coun-... which governs Shanghai, and its administration, which was ... natural result of its foundation by the British and the over-...ming magnitude of their holdings in the Settlement, has been ... modified by the large increase of American and Chinese ...ests The nine foreign members of the Council (five British, ... American and two Japanese) have been reinforced by five ...inese And at the present time the Chairman of the Council, M... Cornell Franklin, and the Commissioner General, Mr Stirling F...wnden, head of the permanent staff, are both Americans

I... is obvious that if the Japanese could somehow upset the con-...tion of Shanghai and remodel it according to their tastes, the ... to British prestige and interests would be immense For ... years past the local Japanese community has been increas-...ly clamorous for a larger share in the management of Shanghai, ...e ground that it is the biggest (although not the wealthiest) ...n community What this clamor will lead to, with a victorious

[2] ...e most peculiar feature of the International Settlement is that it belongs to ... but the people who own the land in it It is protected by 14 treaty powers ... not belong to them, nor can they legally give any order to the Municipal ... which is responsible only to the foreign residents who annually elect it ... the Council always works in close association with the representatives of ...ers but within its own boundaries it is free to act independently of them.

and largely uncontrollable Japanese army to back it, is now an extremely anxious speculation The strength of Shanghai, though in many respects this has also been its weakness, is that it is an *International Settlement in which many powers are interested in* varying degrees Even the Japanese Army might hesitate to come into conflict with all of them by attempting a violent *coup de main* on Shanghai's administration

Another possibility is that the Japanese might annex the land alongside the Whangpoo, east of the Settlement, down to Woosung where the river enters the Yangtze, as their own Concession, making *a new port to steal all the business of the present one* No one can tell what will happen, perhaps even the Japanese have no definite plan as yet But the interests of all nations are so closely bound up in the integrity and independence of Shanghai, which is the key to the illimitable commerce of the Yangtze valley that traditional sphere of British influence--that the trend of events as affecting the International Settlement needs to be watched with special care

It is impossible to appreciate Great Britain's position in China without some understanding of British policy during the past [illegible] years Throughout the nineteenth century it was frankly expansionist, but in the main only in pursuance of trade. The leasing of the Kowloon Territory on the mainland opposite Hongkong was undoubtedly territorial acquisition, justifiable however by the obvious fact that without it Hongkong would be defenseless The lending of General Gordon to assist in suppressing the T'ai p'ing Rebellion and keeping the Manchus on the throne was a piece of political interference which the British Government seems to have repented, judging by the fact that it used its influence in 191[illegible] to dissuade Japan from a similar intervention against the Republicans

On the other hand it is to be recalled that Great Britain accepted without delay or reservation John Hay's principle of the Open Door Hongkong has always been a free trade port, the benefits of which were open to every nation in the world And from the beginning of the twentieth century, after the subsidence of the Boxer upheaval,

British policy in China was one purely of marking time, of preserving British rights but with as little insistence on them as possible and certainly with no idea of enlarging them.

The Washington Conference and the Nine Power Treaty guaranteeing "the sovereignty, the integrity and the territorial and administrative independence" of China, were meant to wipe the slate clean, to prove to the Chinese that the so-called "gunboat policy" of earlier years was dead and done with forever The sincerity with which Great Britain had accepted the various agreements made at Washington was shown by Sir Austen Chamberlain's memorandum to the powers on December 26, 1926, proposing that they should jointly reaffirm their intentions toward China; and still more by his note on January 27, 1927, to China, pledging the British Government's readiness to surrender its extraterritorial rights, concessions and other privileges in China It was under this pledge that the Concessions at Hankow, Kiukiang, Chinkiang and Amoy were given up By 1931 a draft agreement had been reached between Sir Miles Lampson, the British Minister, and Dr C. T. Wang, then Chinese Foreign Minister, for the abolition of extraterritoriality, when the Japanese invasion of Manchuria put an end to further negotiations.

It is true that Great Britain's trade with China has been considerably exceeded by that of its competitors in recent years Even when combined with that of Hongkong, which includes imports from other nations subsequently distributed to Chinese ports, British exports to China in 1936 (the last returns available at the moment of writing) ranked only fourth On the other hand, exports to China from the British Dominions and Colonies, wheat and timber from Canada, wool from Australia, rubber and tin and other commodities from the Straits Settlements, have been steadily gaining. The following table gives the values of China's imports during 1936 from its chief purveyors:

United States of America	U S $32,844,775
Japan	27,145,222
Germany	26,596,630
Great Britain and Hongkong	22,704,017
Rest of British Empire	13,690,860

Under the stimulus of unemployment at home and the abnormal restrictions on other markets, the British Government was roused in 1935 to abandon the somewhat *laissez faire* attitude it had for some years been pursuing in the Far East, and Sir Frederick Leith Ross, the leading financial adviser to the Treasury, was sent to China to see what could be done to improve British trade It was the time when China was becoming thoroughly alarmed by the outrush of silver consequent on the passing of the American Silver Purchase Act Whether Sir Frederick Leith-Ross did or did not advise the adoption of a managed currency is a moot point He certainly gave it his approval, while the support lent by the British Government in instructing the British banks in China to hand over their silver stocks to the Chinese Government—a measure which earned Nanking's profound gratitude—had unquestionably much to do with the subsequent success of the scheme

From the darkness and distress of the present tragic and suicidal war one looks back with sadness on those promising days, on the subsequent happy arrangements made by China for the liquidation of its railway debts, on the almost royal progress through London of Dr. H H Kung, the Finance Minister, China's envoy to the coronation, on the agreement which had actually been reached in principle between him and London financial interests for a loan of £20 million—when the Japanese soldiers delivered their blow at Marco Polo bridge outside Peiping on the night of July 7, and the Far East war launched on the descent to Avernus There is little doubt that China's growing prestige abroad and especially its intimacy with Great Britain—in flat defiance of the "Monroe Doctrine for China" which Japan had announced in the spring of 1934—was a large ingredient in the soldiers' decision that they must strike before China became too strong

How Great Britain's interests in China may be affected by the Japanese invasion is likely to depend on the sort of peace that Japan eventually manages to make, and the influence which the wiser party in Japan may recover for its making. For the moment the "Asia for the Asiatics" and "out with the white races" factions are supreme, and politicians, press and public are in the grip of an insane anti-British passion The reasons for this are partly

psychological, partly practical. In their heart of hearts the Japanese know quite well that they are behaving very badly towards Great Britain, whose neutrality throughout the war has been unexceptionable, while they realize that the roots of British interests in China are far too deeply and widely sunk to be uptorn by violence. Do they also, perhaps, begin to wonder as the war drags on with no sign of finality and with ever increasing cost to themselves, whether Great Britain's imperturbable patience under insult and injury is merely because it is waiting until they have exhausted themselves enough before it moves?

There are, however, two directions in which Great Britain might not prove so passive if need for action arose: the Chinese Customs and Hongkong. From its foundation, the Customs has always been linked with the name of Great Britain, which attaches the greatest importance to the Inspector-General being, as he always has been, a British subject. If this seems to other nations a selfish attitude they may be invited to ask themselves whether they would like to exchange a British "I.G." for a Japanese. The test of the whole matter is simply this. Though built up and largely staffed by British subjects, the Customs has always been a thoroughly international service, its members recruited from all nations of the world. And those members have never forgotten that they were servants of the Chinese Government to whom their loyalty has been ever of untarnished luster.[4] Does anyone imagine that a similar state of affairs would continue if the Customs passed under Japanese control? The conditions of trade in Manchuria even before it was annexed by Japan, the secret rebates and preferential railway rates given to Japanese traders, are the answer.

The danger of a Japanese invasion of Canton serves to show how precious Hongkong is to British sentiment. The barren rock of a century ago has become the focal point of the trade of South China, as South China was the birthplace of British trade in the Far East and has remained the peculiar sphere of British influence. One hardly imagines that the Japanese soldiers even in their present mood would be quite so mad as to attack Hongkong. But if

[4] Except in the case of Japanese members of the Chinese Customs Service in Manchuria, who turned over to "Manchukuo."

they got possession of Canton they could do the colony almost irreparable damage The issue is more than a purely British one, it is of international interest For Hongkong remains the one channel through which Western thought and influence can communicate freely with China In all probability that is really a greater cause of offense to the Japanese than that the Chinese can also obtain munitions through Hongkong For it is essentially Western culture in China which they wish to destroy and which it is more vitally important to preserve than it has ever been

It cannot but be thought that foreign statesmen err when they assure the Chinese that they seek nothing from China but trade Looked at from the Chinese standpoint this well meant assurance might almost rank as an insult Having forced open the doors of China, having injected into its constitution the virus of unrest revolution, and radical discords, can the West absolve itself from the responsibility of bringing some means of assuagement of all the trouble it has caused? The only answer possible has been given in a variety of ways, though largely by private agencies by the lavish American expenditure on missions and education in China by the Boxer Indemnity scholarships in America and Great Britain by the Hongkong University, by the superb Lester Institute of tropical disease research at Shanghai, by the munificent Rockefeller Foundation in Peiping What the Chinese have absorbed they have now begun to digest, assimilating Western culture and combining it with their own

For the moment Peiping lies prone under the Japanese heel in Shanghai all normal life is upset, and all over China colleges and schools have been destroyed and wrecked by Japanese bombs with a steady persistence which indicates something far worse than the mere accident of war Still Hongkong remains the greatest monument of British enterprise in the Far East, the one truly open door between China and the world

London, January 193[illegible]

COMMENT AND CORRESPONDENCE

THE MOSCOW TRIALS[1]

THE forcible seizure of Austria by Hitler has raised the anxious question in the minds and hearts of people throughout the world What can stop this Fascist advance? At the moment when Hitler's army was crossing the borders of an independent nation without the formality of declaration of war, the third treason trial ended in Moscow. The evidence from the three trials,[2] and especially from the last one, showed that the Soviet Union had actually stopped the plans for the same kind of treasonable alliance between internal disloyal elements and external Nazism and Fascism as ended Austrian independence

Historically, the Moscow trials may be viewed either as an important episode in the history of the Soviet State since 1917, or as a chapter in the history of Fascist aggression which is now in progress From the latter point of view it is clear that the plots leading to the trials had their basis in reactionary forces outside the Soviet Union Their defeat, therefore, represents a major victory on the part of the USSR in the struggle of the world's democracies against international Fascist aggression.

The evidence of the March 1938 trial rounds out the facts brought forward earlier Harold Denny, *New York Times* Moscow correspondent said that the trial "makes sense of items in previous trials that we had been unable to fathom," such as the treason charges against Marshal Tukhachevsky and his army colleagues, whose military treason had been linked by both Bukharin and Yagoda (defendants in the March trial) to a general counterrevolutionary plot Also, the doubts raised in the Zinovieff-Kameneff trial of 1936, as to why the Soviet police had apparently been ignorant of a long series of attempts to kill Stalin and his confrères, were ended by the evidence of the new trial

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[1] This article was written before the *Court Proceedings* became available Quotations were therefore based on cabled newspaper accounts, which are not always identical in English translation with the published proceedings

[2] *Report of Court Proceedings in the Case of the Anti Soviet "Bloc of Rights and Trotskyites* (verbatim), Moscow 1938, *Report* (verbatim) *of Court Proceedings in the Case of the Anti-Soviet Trotskyite Center*, January 1937, *Report* (abridged) *of Court Proceedings in the Case of the Trotskyite-Zinovievite Terrorist Center*, August 1936 Published by the People's Commissariat of Justice of the USSR

that the chief of police, Yagoda, was involved Mr Denny, in fact, came to the conclusion that

Even the most cautious foreign observers who were permitted to attend this trial seemed to be convinced that at the very least there had been a widespread and dangerous conspiracy to overthrow the Stalin regime, that the plot included most of the old Communist party leaders and that Stalin discovered it and scotched it

The notable feature of the third trial was that it traced the evidence back to the period immediately following the revolution, showing the origin and development of those "alien elements in the living organism of the party," as Rakovsky described his group, the Trotskyites—who were to be needed twenty years later by Hitler and other forces of Fascism In his description of those early years, this same Rakovsky, former Ambassador to Great Britain, said

Trotsky entered the Bolshevik Party only a few months prior to the *October Revolution* His ideology was *formed* in the struggle against Bolshevism From the very first moment [after the new revolution] we Trotskyites emerged in the roles of antagonists to the Party leadership

He mentioned the opposition of Trotsky and his group to Lenin in ending the war by the Treaty of Brest Litovsk He referred to the support of the Lenin policy by the trade unions, and described the "trade union discussion" as a "test of forces" "We suffered a defeat," he said, "and immediately adopted a new course, orienting ourselves on foreign states In 1921, Trotsky already issued the first directive for establishing criminal contact with the German Intelligence Service"

Rakovsky recorded of himself that he was "a double spy", that he had entered into criminal contact with the British Intelligence Service in 1924 and with that of the Japanese in 1934 He described the "establishment of the 'Bloc of Rights and Trotskyites'" as "'a marriage for money,' each bringing its own dowry We Trotskyites," he claimed, "brought our contacts with international secret services"

The program of Bukharin, head of the Bloc, but chiefly representative of the Rights, was described by this same witness as being

of course, to restore capitalist relations in two strides through opening gates for free foreign trade, through returning the Kulaks, through liquidating the collective farms, through wide open doors for concessionary capital Our ideology was of course a counterrevolutionary ideology. We had no political future ahead of us

The interlocking of the plans of this internal bloc with the external

Fascist forces was clearly described in the interpretative analysis of the second treason trial of January 1937 given by Newton D Baker. In an address which he made in March 1937, Mr. Baker called Trotsky "probably the greatest realist now living" He decided, after Hitler came to power, that "Germany and Japan, driven by great forces over which neither their statesmen nor their people have any control, are going to attack Russia and Russia must lose in that war" Therefore Trotsky instructed his adherents in Russia to become defeatists in a war with Germany and Japan "He made bargains with secret service agents of both Japan and Germany that if they would attack Russia and, having defeated the Stalinist forces, would put his party, the Trotsky party, in power, he would compensate them by allowing Germany to have the Ukraine and by allowing Japan to have the northern half of the Island of Sakhalin" (This territory, according to Mr Baker, was important to Japan because it would provide oil reserves for her ultimate war against the United States)

This analysis by a distinguished lawyer who, moreover, as Secretary of War in the United States during the World War had ample opportunity to observe international intrigue, receives additional support from the evidence of the third trial. Bukharin testified.

> With the advent of German Fascism to power the top leadership of the counterrevolutionary organizations [in the Soviet Union] discussed the possibility of using foreign powers in connection with a war situation Tomsky told me of two variants, one in the case when the new government is to be organized during peace time and [one] when the government is to be organized during a war In the latter case, the Germans demanded larger economic concessions and territories I asked Tomsky how in this case he envisaged the mechanics of overturning the government He replied that it was the business of the military organization which will have to open the frontiers [of the USSR] to the Germans

Rykov, once Premier and Chairman of the People's Commissars, also testified to external collaboration—with the Fascist forces in Poland The deal with them included the "creation of 'an independent White Russia' under the protectorate of Poland," in exchange for cooperation with the Germans to defeat the USSR It would not seem unlikely that this understanding facilitated the Polish-German rapprochement and possibly even brought about that cooperation of the two powers which was demonstrated in the Poland-Lithuanian incident of March 1938.

Participation of the military organization in the dealings with the outside powers was referred to by Wickham Steed, former editor of the

London Times, in an article published in the *New York Times* three weeks after the execution of the eight Soviet generals in June 1937 In a description of Hitler's program, dated June 27, 1937, he said that after the humiliations for Germany following the World War, three possibilities confronted that country the vigorous development of German armaments, the defeat of Soviet Russia in war, or "an agreement between the Reichswehr and the Red Army, accompanied or followed by the establishment of a military dictatorship over the Soviet Union" This statement is of particular interest in view of Bukharin's testimony given above

Incidentally, it must be mentioned that in his reference to British policy, Mr Steed showed similar acumen Hitler's plans, as he saw them called for "an Anglo-German agreement in the west, provided Britain would give Germany a free hand in central-eastern and southeastern Europe and leave France to fend for herself" The refusal of the Chamberlain Government nine months later to do anything about Austria or to agree to prevent a similar invasion of Czechoslovakia was quite in accord with this forecast

Hitler's program dovetailed with the plans of the Trotsky group, reinforced by the reactionary Rights, and these plans have been "scotched" by the treason trials Yagoda in his final statement at the March trial declared "The present trial is the apex of the destruction of the counterrevolution . . The Soviet country has won It has utterly crushed the counterrevolution"

The democracies, Great Britain, France and the United States, stand face to face, as does the Soviet Union, with an onsweeping international Fascism represented in the military aggressions and the undeclared wars of Italy, Germany and Japan Wickham Steed said "Behind Nazi denunciations of Bolshevism burns still fiercer her hatred of democratic institutions and the liberal outlook" In this common task of stopping these aggressions the democratic western nations must record in current history the victory of the Soviet peoples who, because of their unity and because of the success of their economic and social development were able to discover and stop this new threat of intervention exactly as they triumphed over intervention and counterrevolutionary civil war immediately after the Revolution

In this respect, it is helpful to remember and to corroborate from contemporary evidence that it was not individuals, least of all the individuals on trial, who made the Russian Revolution. It was the masses Albert Rhys Williams wrote of the Russian Revolution in 1921:

It was the leaders who were irresolute Three Bolshevik commissars left their post at a critical moment. Five others [among whom he named three involved in the treason trials of these last three years, Zinovieff, Kameneff, and Rykov] tendered their resignation to the Central Committee of the Bolshevik Party . The names of the deserters were pilloried through Russia Before the blast of indignation from the proletarians the commissars scurried back to their posts

Of them Lenin said:

Shame upon these men of little faith who hesitate and doubt, capitulating to the cries of the bourgeois Look at the masses In them there is not a shadow of hesitation

It was the masses who made the revolution It is the masses who have developed and saved the Soviet Union It is the Soviet Union today, made strong because of its firm base among the same masses, that alone among all the great nations has been able to check any of Hitler's declared plans The Soviet Union has won a victory for the democratic nations

MARY VAN KLEECK
New York, March 1938

"ASIATICUS" CRITICIZES "RED STAR OVER CHINA"

In view of the extraordinary interest aroused in all countries by Edgar Snow's Red Star Over China, *we print herewith some correspondence which gives "Asiaticus'" criticism of Snow's study of the Chinese Communists, together with a letter from Mr. Snow himself We have considerably condensed all three letters, owing to necessities of space, but trust that in doing so we have not done injustice either to "Asiaticus" or to Mr Snow.*—EDITOR

To the Editor of PACIFIC AFFAIRS

SIR

Edgar Snow, the first foreign writer to enter Chinese Red territory, has done in *Red Star Over China** an excellent and well documented piece of reporting His book is a unique historical contribution. However, even non partisanship and honest investigation do not necessarily prevent errors in outlook and interpretation in presenting facts personally seen and truth-

* Reviewed in PACIFIC AFFAIRS, March 1938, pp 110-113

fully related When Snow leaves actual reporting and turns to theory, he makes many essential mistakes about the Chinese Communist movement the historical position of Soviet China and the Red Army, the Soviet Union and Communism in general

His fundamental conception is plain a revolution led by Communists like that of Soviet China, must necessarily be a proletarian revolution w... immediate Socialist aims He found little that could properly be ca... Socialism in the Chinese Soviet region, in spite of his emphasis on t... enormous revolutionary changes in the Chinese Soviet region He tend... to explain this by saying that the agrarian revolution, without actu... Socialist changes, gave the Reds an "immediate basis of support", th... could not, while confined in the remote interior, "'try out Communism in China,' which is what some people think the Reds have been attempting in their little blockaded areas" (p 212) Obviously, the inference that the Reds *would* "try out Communism" if they could gain control of the great cities

This is certainly wrong The policy of the Chinese Communists mak... it quite unmistakable that their only immediate aim was to carry throu... that Chinese revolution which was actually going on, which was no... Socialist but a nationalist revolution, against imperialist domination co... bined with a bourgeois democratic revolution aimed at eradicating th... powerful feudal remnants in rural China and getting rid of the p... triarchal, absolutist reactionaries The political organization of t... Chinese Communists (Red Arms and Soviets, under Communist leader... ship) was never intended for any other purpose The only differe... between cooperation with the Kuomintang now and in the former perio... (1926 27) is that there are now Soviet areas in which this movement h... been under the majority control of workers and peasants ever since th... Kuomintang going against Sun Yat sen's teachings, compromised w... imperialism and feudal reaction in 1927 The institution of Soviets (meaning Councils) does not imply that China is attempting what Russ... accomplished in 1917, it is more like the Russian bourgeois-democrat... revolution of 1905, led by proletarians, which saw the first histor... appearance of Soviets

Nevertheless, Chinese Communism is a model child of Marx Eng... once said that Marxism is essentially the doctrine of the conditions neces... sary for the victory of the workers. The appearance in history of cen... tralized, independent national states, with democratic constitutions, is one of those conditions, and so is the liberation of the peasants from feudal chains Long before the epoch of Socialist revolution, beginning in 1917

...e struggle against feudal absolutism and for democratic liberties and ...ational defense against aggressors was part of the "minimum program" ... the Socialist or Communist movement, an essential step toward the ...aximum program" of proletarian revolution and a Socialist economy. ...herefore the Chinese Communists, in throwing everything into a strug-...e for national, bourgeois democratic revolution, are not betraying the ...ocialist revolution but preparing the way for it in the future—although ...may be a long way from Chinese victory against Japan and over the ...actionaries in China to a Socialist revolution

...now interprets Chinese Communism as an attempt at Socialist revo-...ution when he argues (p 441) that "the assistance expected from the ...world proletariat failed to materialize," and that "in the *Communist ...ternational Program* it is clearly recognized that successful proletarian ...ovements in semi-colonial countries such as China 'will be possible ...ly if direct support is obtained from the countries in which the ...roletarian dictatorship is established' (i e in the USSR)." As a matter ... fact China is justified in expecting help not only from the world ...oletariat but from all progressive forces which support democracy, ...peace, and resistance to aggression, and not only from the USSR but ...rom all democratic and peace-loving peoples—not necessarily through ...intervention but through international collaboration to prevent imperial-...st intervention

It is a mistake to suggest, as Snow does (p 212), that the Chinese ...Communists used land redistribution merely as a maneuver to gain the ...ower that would enable them to press forward to thoroughgoing Social-...ist changes, including collectivization The liberation of the Chinese ...peasantry was an aim in itself, because the peasantry will follow any ...ical party that is ready to fight for the relief of peasant misery. ...perialist conquerors and their reactionary Chinese agents are the worst ...enemies of peasant liberation It is quite different with great numbers ... the smaller Chinese bourgeoisie and the intelligentsia, and so long ... they are willing to abolish feudal exaction and tax extortion as part ... their program for national salvation and democratic reform, the ...peasants will not hesitate to follow them Snow believes that the Kuomin-...tang would not "sign its own death-warrant" (p. 445) by genuinely ...aring bourgeois democracy, but the Chinese nation can only sur-...ive through unification and immense sacrifices on the part of all classes, ...especially the peasantry, and therefore if the Kuomintang, as the party ... the bourgeoisie, were to prevent the sweeping reforms that are neces-...sary if China is to survive, it really would be signing its own death-

warrant. In a time of general sacrifice, the ruling party can only retain leadership if it considers the interests of those whom it calls on to follow it. Snow himself makes it clear (p 445) that "some recognition of the demands of the majority will have to be made by the tiny minority which now monopolizes the State economy and policing power."

But no "tiny minority" can enforce its will over the majority in China, in present circumstances The Japanese want nothing better than to cooperate with all internal enemies of progress and rejuvenation in China, and therefore those who lead the Chinese cannot afford to isolate themselves from the great majority of the nation The Chinese Communists, as the party of the workers and poor peasants, have come to the fore not because they are under the delusion that the peasants can thus easily be made into fighters for Socialism, but because of their vital interest in a complete victory of national and bourgeois-democratic revolution, which must be established before the goal of Socialism can become an actual political issue Even if the bourgeoisie were to surrender to imperialism, leaving the Communists in complete power in all of China that remained unconquered, an immediate "thoroughgoing" Socialist revolution would not be a practical question, because such a Communist government would still consist only of the executives representing the majority of the Chinese people, in a struggle still focused on national independence and peasant liberation, even though the proletariat might have the hegemony in a union of workers, peasants, and the small bourgeoisie

What Snow evidently has in view is the Socialist revolution in the Soviet Union In Russia, however, the proletariat was already in the vanguard Not only had there already been successive stages of revolution, but there was a more mature base, nationally, socially and economically The collectivization of rural economy in the Soviet Union came after a proletarian revolution, when the key economic positions had been in Socialist hands for more than a decade The struggle for bourgeois-democratic revolution and national independence, which may yet take decades in China, was already over in the Soviet Union Snow evidently realizes this but he seems to think the Chinese Communists may have a short-cut scheme and that "the victory of the revolution in China may hinge on the ability of the U S S R . . . to make the transition from a program of Socialism in one country to Socialism in all countries, to world revolution" (p 449).

Disregarding Snow's evidently confused idea of the program of "Socialism in one country" and his implication that somehow this hinders

"Socialism in all countries," or world revolution, it may be pointed out that even if the Soviet Union should change its mind and begin to promote "Socialism in all countries," beginning with China, the fact would still remain that Socialism cannot be constructed in China until imperialist aggression has been defeated and the bourgeois-democratic revolution completed Marx, in the preface to *Capital*, states that

> One nation can learn from others, and should do so. When a society has discovered the natural laws which regulate its own movement, it can neither overleap the natural phases of evolution, nor shuffle them out of the world by decrees But this much, at least, it can do it can shorten and lessen the birth pangs (International Publishers, N. Y , 1929, p 864)

The Soviet Union has always offered to China the opportunity, whenever China might be willing to take it, to make use of Soviet revolutionary experience for the national liberation of China. According to Snow, however

> . the Soviet Union in fact did not extend to the Chinese comrades the promised "assistance and support of the proletarian dictatorship" in any degree commensurate with the need On the contrary, the great help, amounting to intervention, which the Soviet Union gave to Chiang Kai-shek until 1927 had the objective influence of bringing into power the most reactionary elements of the Kuomintang Of course, the rendering of direct aid to the Chinese Communists after 1927 became quite incompatible with the position adopted by the U S S R--and here is the well known contradiction between the immediate needs of the national policy of the Soviet Union and the immediate demands of the world revolution—for to do so would have been to jeopardize by the danger of international war the whole program of Socialist construction in one country Nevertheless, it must be noted that the influence of this factor on the Chinese revolution was very great (p 441)

He goes on to describe the Chinese Communists, "deprived of an ally," continuing "to struggle alone for the 'hegemony of the bourgeois revolution.'"

Presumably Snow uses "bourgeois revolution" in inverted commas because he cannot see that the Chinese revolution is bourgeois, and doubts whether the Chinese Communists see it that way Probably his inference is that this is all "tactics," aimed at eventual Communist leadership of a Socialist revolution This prevents him both from seeing the historical function of the Kuomintang when it was struggling against the old Peking Government, the warlord scourge and imperialist intervention, and from seeing that the Communists joined the Kuomintang solely in order to advance this struggle—just as Marx and Engels sup-

ported the German bourgeois revolution of 1848. The Kuomintang's accession to power meant a historical advance for China, even though the Communists could not prevent the reactionary elements within the Kuomintang from taking advantage of this. The Soviet Union was not responsible for this turn of events. Its advisors were not attached to Chiang Kai-shek *merely personally*, but to the National Government and the elected leadership of the Kuomintang and the Army. They supported the Kuomintang majority in advocating a centralized civilian government, controlled by the Kuomintang, not by the Army. Chiang Kai-shek *opposed the transfer of the National Government*, to which Borodin was attached, from Canton to Wuhan, his moves against this Government and the eventual surrender of the Kuomintang opposition, leading to abandonment of Sun Yat-sen's policy of cooperation with workers and peasants and the Communist Party, brought Soviet advisorship to the Kuomintang to an end. This advisorship, from 1923 to 1927, had represented aid not merely to the Chinese Communists but to the Chinese national revolution.

The Chinese Red Army began its existence with the military uprising at Nanchang in 1927, with which Communism, according to Snow, "first became an independent force in China" (p. 51). It had really been an independent force, however, from the moment the Communist Party of China was founded. It was prominent in cooperation with the Kuomintang until 1927, in the Shanghai general strike of 1925, in the 1925-26 strike and boycott against Hongkong, in the armed uprising, together with the Nationalist Army, against Chang Tsung-chang's hordes before Shanghai in 1927. In the subsequent 10 years, just as much as in the present cooperation in the national war of resistance, the Chinese Communists have directed their activities mainly toward the national and bourgeois-democratic revolution, and this does not in the least contradict their function as an independent class force aiming historically toward Socialist revolution. Marx and Engels began to make the working class conscious of its historical position and mission by cooperating with all democratic forces, and taught it to rely on its own strength and not to follow the other classes blindly even in the course of this cooperation. Their teaching was: cooperation with the bourgeoisie when it works against feudalism and for democracy, and resistance to it when it compromises with reaction and betrays democracy.

In compliance with these principles, the Chinese Communists regarded the Kuomintang's abandonment of the revolutionary policies of Sun Yat-sen, in 1927, as a menace to the national and bourgeois-democratic

revolution. They have struggled, ever since, to reinstate these policies throughout the nation. They believe (p. 77) that the decade since 1927 has richly validated their thesis that national independence and democracy (which the Kuomintang also set as its objective) cannot be achieved in China without an anti-imperialist policy externally and an agrarian revolution internally." Surely this means that, while changing their tactics to suit different situations, they have continuously fought for the national and bourgeois democratic revolution.

Has the Communist International (of which the Chinese Communist Party is a member) failed to help Chinese Communists, and has assistance from the Soviet Union and the world proletariat "failed to materialize," as Snow suggests? He sees the reason for this "failure" in the "well known contradiction between the immediate needs of the national policy of the Soviet Union and the immediate demands of the world revolution," thus making the Comintern "a kind of bureau of the Soviet Union" (pp. 478 and 441). Would Snow also say that the world proletariat is an institution of the Soviet Union? To him the Soviet Union under Stalin has been responsible for changing the Communist International by "transition from an organization of international incendiaries into an instrument of national policy of the Soviet Union" (p. 376). He speaks of the Comintern as having to "limp along as a kind of poor stepchild which might be officially disinherited whenever it did anything malaprop" (p. 479). This is a characterization of the Comintern which will be acclaimed by outright Fascists as well as by the Trotskyites. Snow's failure to see the working out of the historical process, however, has already been corrected by Mao Tse-tung, who in an interview with Snow (p. 167) declares that "the Communist Party of China was, is and will ever be, faithful to Marxist-Leninism." The truth is that the Chinese Communist Party, as an integral part of the Comintern, has learned the revolutionary theory and practice for which the Comintern stands. By fighting in the vanguard of the actual Chinese Revolution it has carried forward China's struggle for liberation from imperialism and aggression, a cause in which national independence and the people's livelihood are combined, a cause which is not only China's but that of all workers, all over the world, and which has consistently been upheld by the Comintern. Therefore the Chinese Communists today represent not only the workers and peasants of China, but the entire nation, in their fight for national liberation, and therefore they stand for democratic freedom as a whole.

Though representing a partisan view, these remarks may perhaps be

useful toward the establishment of a real understanding of the position and character of the present program of the Chinese Communist Party

"Asiaticus"
Shanghai, January 193[illegible]

EDGAR SNOW REPLIES

To the Editor of Pacific Affairs
Sir,

I appreciate the privilege of having seen an advance copy of the long remarks on my book, *Red Star Over China*, by "Asiaticus." My first reaction was sheer amazement that anyone could read my book and emerge from the task with impressions so directly antipodal to those which I hoped to convey. Unfortunately, "Asiaticus" approaches my book chiefly as theorist, but it seems to me a not entirely scientific use of theory to develop his criticism not on the basis of what I actually wrote, but on his own theory of what I really meant to write.

"Asiaticus" desired to prove that the Chinese Communists did not in the past, and do not now, propose to establish Socialism in China, but only bourgeois democracy. This is all right, for no doubt some people still believe that the Communists want to create Communism in China in the next five minutes (not that they wouldn't like to, at that, if it were possible!). The thesis of the bourgeois-democratic revolution is not original with "Asiaticus"; he assumes that I have never heard of it, and do not accept it. The main burden of his criticism is that what I really *meant* to say was that the Chinese Communists strive to seize power and immediately construct Socialism. Yet nowhere in my book do I take such a position. What does the book actually say? In the last chapter, which is the only section dealing avowedly with theory, and that of necessity but briefly, I wrote:

> A popular and never-dying notion of the Communist movement in China is that it is anti-capitalist in the sense that it does not see the necessity for a period of bourgeois or capitalist economy, but wants right away to proclaim Socialism. This is rubbish. Every pronouncement of the Communists has shown clearly that they recognize the "bourgeois character" of the present revolution. The struggle has been not over the nature of the revolution so much as over the nature of its leadership. The Communists recognize that the duties of that leadership are to realize, as quickly as possible, two primary historic tasks: first, to over

throw foreign imperialism and establish national independence (that is, liberate China from its semi-colonial status), second, to overthrow the power of the landlords and gentry, and establish democracy (that is, liberate the masses from "semi feudalism")

Only *after* those tasks have been accomplished, the Communists foresee, will it be possible to move toward Socialism

But how can these victories be won? For a while the Communists hoped to win them *with* the bourgeoisie But when the counter-revolution occurred in 1927, when the Kuomintang (the party of the landlords and bourgeoisie) abandoned the revolutionary method against both imperialism and "feudalism," they became convinced that "only a worker-peasant democratic dictatorship, *under the hegemony of the proletariat*" could lead the bourgeois revolution—which in China did not assume a definitive form immediately after the overthrow of the imperial monarchy, but only at the time of the Great Revolution—1925 27

The Communists saw that the Chinese capitalist class was not a true bourgeoisie, but a "colonial bourgeoisie" It was a "compradore class" with the character of an excrescence of the foreign and finance monopoly capitalism which it primarily served It was too weak to lead the revolution It could, in fact, achieve the conditions of its own freedom only through the fulfillment of the anti imperialist movement, the elimination of foreign domination But only the workers and peasants could lead such a revolution to its final victory And the Communists intended that the workers and peasants should not turn over the fruits of that victory to the neo-capitalists whom they were thus to release, as had happened in France, Germany, Italy—everywhere in fact, except in Russia Indeed, they should retain power throughout a kind of "N E P" period, a brief epoch of "controlled capitalism" and then a period of State capitalism, followed at last by a speedy transition into Socialist construction, with the help of the U S S R All this is indicated quite clearly in *Fundamental Laws of the Chinese Soviet Republic.*

"The aim of the driving out of imperialism, and destroying the Kuomintang," repeated Mao Tse-tung in 1934, "is to unify China, to bring the *bourgeois democratic revolution* to fruition, and to make it possible to turn this revolution into a higher stage of Socialist revolution This is the task of the Soviet" (pp 437-438)

This is no doubt inadequate, but it seems to state very clearly that even had the Reds seized power they would have had no hope of instantly creating a Socialist Utopia Yet evidently "Asiaticus" thinks that the book does not mean what it says here and elsewhere (the thesis is also explained on pp 76-80), but that what I actually meant to say was that the Communists want "right away to proclaim Socialism"—despite my description of such notions as "rubbish."

In the above-quoted chapter I endeavored to explain how and why the Communists broke with the Kuomintang in 1927, the nature of the armed struggle for power in the next 10 years, and finally the basis on

which the Communists engaged in a common struggle with the Kuomintang against Japan The unprecedented intensification of the imperialist invasion was the main reason for the present reconciliation between the opposing class forces represented by the Communists and the Kuomintang, but the question of the hegemony of the revolution remains in abeyance, depending on the outcome of the war

"Asiaticus" does not seem to understand this question of hegemony of the revolution very clearly He thinks that the Communists were *fighting only for the bourgeois-democratic revolution*, and that the Kuomintang fought for it too It that were so it would be impossible to explain the past decade of civil war Actually they were both fighting for that, but also for something more They fought also over the real issue of the hegemony of power, over whether the Chinese revolution was to be a "worker peasant democratic dictatorship *under the hegemony of the proletariat*," or whether it was *to resolve into* a dictatorship under the hegemony of the Kuomintang *During their armed struggle for* power (1927 1936) the Chinese Communists never conceded the role of leadership of the revolution to the Kuomintang—any more than the latter conceded it to the Communists It was only after the submission of the Red Army last August to the high command of the Central Government—in which the hegemony was clearly not proletarian—that the Communists recognized the leadership of the bourgeoisie in the present stage (the struggle for national independence) of the still uncompleted revolution.

It is therefore not quite correct to say, as "Asiaticus" does, that in the past the "only immediate aim" of the Chinese Communists was the realization of the bourgeois-democratic revolution Throughout the period of the Soviets and civil war the Communists' "immediate aims" were to complete the anti-imperialist, anti-feudal, bourgeois democratic revolution, *and also* to complete it in the form of the worker-peasant democratic dictatorship *under the hegemony of the proletariat* Or, as this was expressed in the *Constitution of the Chinese Soviet Republic* itself

> It shall be our task to finally establish this dictatorship throughout China It shall be the aim of this dictatorship to destroy all feudal survivals, to annihilate the might of the warlords in China [among whom the Communists *then* classified Chiang Kai-shek and the Kuomintang armies—E S] to unite China, systematically, to limit the development of capitalism, to build up the economy of the state, to develop the class-consciousness and organization of the proletariat, to rally to its

r the broad masses of the village poor, *in order to effect the transi-*
) the dictatorship of the proletariat" (Italics mine—E S)*

icus'" trouble is that he ignores the significance of the new stage
Chinese Revolution, and in the relations between the Kuomintang
ie Communist Party, which began with the actual achievement of
nited Front But even though the present anti imperialist struggle
t Japan, which is manifestly revolutionary war, has been initiated
d is still under the hegemony of, the bourgeoisie, with the loyal
ition of the Communists, it is a grave error in dialectical thinking
ils from this that the Communists would not be prepared, if con
s imposed the task upon them, to accept the full hegemony of the
tionary war themselves

a mistake to assume that during the civil war the Communists
ighting for the bourgeois-democratic revolution *for the bourgeoisie.*
e contrary, they were from the beginning of the Soviet movement
end fighting for proletarian hegemony of the revolution of the
'oisie, and for the *ultimate* ("maximum program") realization of
iunist society, and this remains today a goal which gives to the
st Leninist proletarian leadership its invincible morale and revo-
iry determination "The Communist Party will never abandon its
it Socialism and Communism," as Mao Tse-tung recently said

ill still pass through the stage of democratic revolution of the bour-
to attain the stages of Socialism and Communism The Com-
t Party retains its own program and its own policies The *party*
'm is Socialism and Communism and this is different from the
fin Chu I Its *policy program* is more thorough compared with
of any other party and clique within this country, but it does not
mentally contradict the program of the *San Min Chu I.*†

iaticus'" error is that he does not distinguish between this role of
iony and the nature of the next stage of the Chinese revolution
Chen Tu-hsiu suffered from some such view in 1927, when he
ited that the Communists submit to the Kuomintang and bour-
hegemony of the revolution, and later on the Trotskyists em-
ed the same view They ignored the validity of the Chinese Soviets
h they regarded as peasant rebellion merely) because they denied
ssibility of the proletarian role of hegemony in such a worker-
it movement, and its ability to realize the tasks of bourgeois-
ratic revolution "Asiaticus" evidently does not take that position,

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Yakhontoff, *The Chinese Soviets*, 1934 Appendices
'ort to the Communist Party (Yenan, April 10, 1937)

because he approves of the Soviets as progressive, but his inadequate conception of the Communists' aim for hegemony of power leaves unexplained one deep side of the nature and intensity of revolutionary struggle in China during the pre United Front epoch.

As concerns the remainder of "Asiaticus'" review, which attempts to interpret the historic relationship between the Comintern, the Soviet Union, and the Chinese Communist Party, it must be apparent that this poses very great questions, which are changing in their nature each day. It is introduced by "Asiaticus" in such a manner as to require lengthy discussion, or none at all, and I feel I have already more than exhausted the courtesy of your space. It does not seem to me, however, that "Asiaticus" correctly represents my attitude toward the Comintern and the Soviet Union, which is objective, I hope, and somewhat critical, but not antagonistic nor unfriendly, as one might conclude from his review.

Red Star would in any event have been a book far short of perfection but because it was completed before the Sino-Japanese war broke out it is all the more subject to alteration. There are errors of fact in it, and doubtless errors of judgment and analysis, and some of these concern the Soviet Union, but none of them represent a hardened prejudice. The views I have expressed are subject to revision. I do not claim to be a trained Marxist, I am only an amateur at theory, and I am anxious to be corrected in this respect, as in others. But the charge that I believe the Chinese Communist movement "can only be one" with "immediate Socialist aims" would, if it were true, destroy any value my book might otherwise possess, and I am unable to let it go unchallenged.

EDGAR SNOW
Shanghai, January 1938

"ASIATICUS" HOLDS HIS GROUND

To the Editor of PACIFIC AFFAIRS

SIR

I must congratulate Edgar Snow on admitting that his views do not represent a hardened prejudice. However, my criticisms of his erroneous conceptions of the character of the Chinese Revolution are only confirmed by his reply. He quotes his own statement that the Chinese capitalist class was "not a true bourgeoisie," but a "colonial bourgeoisie," and therefore was "too weak to lead the revolution." I cannot grasp how a

bourgeoisie subjected to foreign or colonial domination ceases to be a ... bourgeoisie. We know from history that even in independent countries like Germany, Tsarist Russia and Japan the bourgeoisie did not lead the bourgeois democratic revolutions, but surrendered politically to feudal, absolutist forces, being satisfied with economic domination for itself. It might happen, however, that a "colonial bourgeoisie," if denied economic expansion and national independence, might be forced to lead the national bourgeois revolution in spite of its peculiar weakness in such a situation. This weakness could only be overcome by arousing the masses of people to democratic action. This was the idea of Sun Yat-sen, who was both an anti-imperialist and a democratic leader. In ... to Sun Yat-sen it must be pointed out that, contrary to Snow's ..., the theory of the Chinese bourgeois revolution being at the same ... revolution against imperialist domination was not only clarified and developed by the Communist Party but also profoundly realized and taught by Sun Yat-sen himself. It had a foremost place in his revolutionary policies and the *San Min Chu I.*

Snow states that I make the mistake of assuming that the "Communists were fighting for the bourgeois democratic revolution *for the bourgeoisie.*" It is he who is utterly mistaken, not I. The bourgeois-democratic revolution is historically both for the bourgeoisie and for the expansion of the capitalist order, just as the proletarian revolution is both for the proletariat and for Socialist transformation. He states in his book that ... that the Communists were fighting for the bourgeois democratic revolution *for the bourgeoisie* imputes "futility to the heroic sacrifices ... thousands of lives in the struggle to assure the Socialist future for China." Here I can only refer him to the heroic sacrifices during the bourgeois revolutionary periods of the American War of Independence and the Civil War, to the sacrifices made for the French Revolution and the sacrifices made by workers and peasants during the long-drawn-out period of bourgeois revolution in Russia, in 1905 and again in 1917.

The split in the Chinese revolutionary United Front in 1927 occurred because the Kuomintang compromised with feudal forces and with imperialism, and turned against the democratic forces of the workers and peasants and the small bourgeoisie of the cities. In so doing it surrendered its former position of leadership in the national bourgeois revolution. It was the Communists who continued the fight. In so doing they took over the leadership of the revolution, but the historical character of the revolution remained the same, and the Communists were not fighting for that but also for something more." The workers and peas-

ants were not fighting "for the bourgeoisie," but for their own national and democratic freedom, and the relief of their own misery. This is what gives the proletariat the interest to struggle to assure a Socialist future. However, their economic and political interests combine with the bourgeois aim for economic and political domination, because this aim means the overthrowing of the combined forces of feudalism and of imperialist domination. It is characteristic of the period of bourgeois-democratic revolution that all democratic forces follow the leadership which actually exists and really *leads* the revolution. The necessity for proletarian leadership, and the possibility of realizing it, arise only when the bourgeoisie does not lead the revolution, or actually oppose it, by submitting to feudal forces, or to feudal forces combined with or led by imperialist aggressors. Even so, proletarian leadership, or the hegemony of the proletariat among the democratic forces, does not mean opposing the existence of the bourgeoisie as a class, or preventing it from rejoining the revolutionary front. It is only a continuation of the revolution which the bourgeoisie has betrayed, in contradiction to its own class interests. It is only in a proletarian revolution, aimed at overthrowing the bourgeoisie and realizing Socialism, that it is impossible to consider the interests of the bourgeois class.

In speaking of "immediate Socialist aims," I did not of course mean "springing into Socialism right away." I simply defined the historical character and mission of a proletarian revolution. Snow states that the Chinese Communists, after attaining power, would have to go through an "N.E.P." period of controlled capitalism, leading first to state capitalism and then to a speedy transition to Socialist construction, with the help of the USSR. This however does not mean retaining power which is characteristic of proletarian hegemony in a bourgeois-democratic revolution. It applies to the position of the proletariat under a proletarian dictatorship, acquired by the victory of Socialist revolution. The N.E.P. period in the Soviet Union, and that of controlled capitalism and state capitalism, were only possible after the victory of Socialist revolution. The Russian Communists, in aiming for this revolution, never concealed its character or confused it with bourgeois-democratic revolution. On the contrary, they pointed out the fundamental difference in character and historical sequence of these two kinds of revolution. During the earlier bourgeois-revolutionary period they made heroic sacrifices for decades, following a clear and distinct revolutionary theory about the aims and possibilities open to the democratic forces within the frame of bourgeois revolution. The theory of the Chinese Communists is in no

way different They have always aimed at the realization of the national bourgeois-democratic revolution, which is the only one within the scope of historical realism in China today It is true that their party program represents not only "something more," but very much more The propaganda for their final aims will always express this aim, which is confined to the direct interests of the workers and poor peasantry and does not apply to the interests of the broad democratic front of a national bourgeois revolution Any attempt, open or covert, to introduce the struggle for this "something more" during the fight for bourgeois national revolution would mean the isolation of the proletariat and the Communists from the national and democratic revolutionary front This has been further emphasized by the new developments of which Snow speaks. The Chinese bourgeois revolution, aiming at unification, centralization and the national independence of China, as well as at peasant liberation and democratic victory, means the revolutionary creation of a modern state As such it is distinctly different from the later period of struggle to realize Socialist revolution for China.

In 1905 Lenin foresaw that, in the event of the overthrow of Tsarism in the bourgeois democratic revolution, there would be a long period of democratic rule in Russia with a bourgeois-democratic republic, but under a government of workers and peasants By 1917, however, the situation had become quite different The Russian bourgeoisie had by then attained full economic domination, and to a great extent political power also, under the Tsarist regime, which took part in an imperialist aggressive war in the interests of the Russian bourgeoisie The collapse of Tsarism was thus the beginning of a revolutionary crisis directed against both imperialist war and the rule of the bourgeoisie, and accordingly the belated achievement of peasant liberation offered direct support for the victory of Socialist revolution.

The enormous difference between this and the present revolutionary case in China is obvious The main interests of the Chinese nation are unification, centralization and national independence, which had been attained in Russia long before 1905, by which time the Russian bourgeois landlord regime was suppressing and exploiting other nationalities Finally, there is in China the revolutionary bourgeois party and government created by revolution, as well as a very broad mass of all bourgeoisie and intelligentsia, whose aim is complete unification and centralization, and the national identity which is menaced by the imperialist aggressor In Russia, the revolutionary organization of the workers had already become the only leadership in the bourgeois-demo-

cratic revolution against Tsarism. The main problem for Chinese Communists and their main tactical question ever since their existence as a party is, therefore, not competition for leadership but the duty of assuring, as the most conscious of the democratic forces, that the national bourgeois-democratic revolution shall actually proceed under conditions of the broadest possible cooperation and unity of all democratic forces. They must make full use of every possibility of achieving a free China nationally organized as a democracy of the whole people. Then and only then can the issue of attaining "something more"—social freedom for the proletariat and the poor, led by a powerful working class in an industrialized China—become actual and urgent. There is no doubt that this will finally be attained, for the historical progress of the Chinese nation will not stop with the victory of national bourgeois revolution but will only proceed more rapidly.

Snow has called me a theorist and he speaks of himself as an amateur. Theory is nothing but knowledge of the essential facts and knowledge of how to apply them. To be an amateur is not an advantage but a handicap, especially for a writer who has done and is doing such valuable work as Edgar Snow in the cause of China's struggle for freedom. I hope he will overcome the handicap—the sooner the better!

"ASIATICUS"

WHAT KOREA PAYS FOR JAPANESE RULE

As a supplement to Professor Yanaihara's discussion, in this issue, of Japan's administrative policies in Korea, the following data are of special interest. They are taken from Japanese statistical sources and were published in an article on "The Colonial Rear of Japanese Imperialism," by I. Plyshevskii and S. Kruglov, in *Pacific Ocean* (J[illegible] Dec. 1937), the quarterly issued by the Pacific Cabinet of the Institute of World Economics and Politics in the Academy of Science of the USSR.

Japan's capital investment in Korea amounts to two milliard yen, most of it significant for strategic purposes, 30 per cent is invested in transport. Railways are being extended, ports enlarged and industries set up that are of immediate military value. Korea is treated as a source of agricultural and other raw materials, and as it is predominantly an agricultural country, the ownership of the land is of special significance.

In 1910, the year of annexation, Japanese owned 100,000 *to* of land. This has now risen to 750,000 *to*, about 17 per cent of all cultivated

land, and even so, the statistics are far from complete. The best rice and cotton lands belong to Japanese landlords and the Government-General Landlords comprise 3 5 per cent of the population and hold ; per cent of the cultivated land, making a total of about 70 per cent ed by either Japanese or Korean landlords. The working peasant population of 15 million is left with about one million *to*, or from 25 to 30 per cent of the cultivated land In 1919, 50 per cent of all land in cultivation was rented, by 1936 this had risen to about 60 per cent. On rigated land, 65 per cent of the cultivators are tenants and 35 per cent proprietors, on dry land, the proportion is 47 per cent to 53 per cent bout 20 per cent of all peasants are partly tenants, who are listed as wning some land of their own

Not less than 85 per cent of the peasants, therefore, are landless or tenants There are 1,255,954 tenant households and 894,381 part-nt households, and there is a special class of "squatters' amounting 20,000 families or 623,000 people—peasants who have been driven m their lands and have taken to the wooded regions of North Korea number of landowning peasants is decreasing Peasant indebtedness the banks amounted in 1935 to a milliard yen, and land is passing ly into the hands of landlords, especially the Japanese. The prop- of landlords and the Government-General is put out to rent, usually turn for not less than 60 per cent of the crop As the peasant also s for fertilizers and irrigation, the real rent is about 90 per cent of rop

Comparative figures for 1930 and 1934, from different prefectures, con-n the rapid shrinkage of proprietorship and the increase of both nantry and part-tenantry Government figures, obviously understated, 2,075 disputes over rent for 1933, rising to 7,544 in 1934 and 21,036 the first six months of 1935—although there has been a law of com-ory arbitration since 1933 A Japanese article noted that 1,733,797 Korean households were in debt in 1935, 75 per cent of them were nants The Koreans are called "spring and autumn paupers," because the extreme privation which forces them into debt at the time of the g sowing, and again after the harvest, in order to feed themselves Whole provinces face starvation, the people living on bean-cake (from h the oil has been pressed), bran, and even bark In 1935 the entire lation of one province did not have enough to live on, and 150,000 ople were living on bark. In six districts of another province, 38,275 e were starving, and at the beginning of the sowing season had no d and had eaten up the vegetable refuse ordinarily used for fertilizer

In another province over 40 per cent of the peasants were starving As a result of such conditions, scattered data indicate an infant mortality rate of 50 per cent The consumption of rice per person is barely ha that of Japan, and is decreasing as the Koreans eat inferior substitutes while the export of rice to Japan increases.

The steady fall of wages contributes to the process of exploitat The Korean gets only half the wages that a Japanese gets for the s work Full statistics for recent years are not available, but in 1935 sk crucible tenders were getting 0 95 yen for a 12-hour day Workers other concerns were getting from 0 45 to 0 60 yen The real wage even less, because part of it goes to a labor contractor Women are much less A Korean publication of 1935 reports women running aw from the barracks of a textile concern because of low wages, new engaged women operatives were also running away, dissatisfied with yen for a 12 hour day In a spinning mill, 200 women struck for instead of 0 17 yen for an 11 hour day In a rubber factory, wor workers demanded a minimum of 0 60 yen for girls over 15, with for skilled operatives The average factory wage is 0 40 yen.

Inhuman treatment leads to strikes which often resemble insur tions The article lists a number of them, including some in 1937 I notable that Japanese workers have begun to make common cause w the Koreans, in spite of efforts to split them, and that workers in d ferent occupations strike in sympathy with each other

Japanese rule represses every manifestation of national consciousne and "ideological activity" In March 1935, only 840,000 out of 2,7 children of school age were receiving elementary education Of 1 8 pupils ceasing to attend 128 elementary schools, 90 per cent left beca they could not pay the fees Courses for illiterates arranged by memb of Korean organizations and newspapers are forbidden

The Korean people bitterly resist this economic, cultural and n tional subjection According to the Japanese press, 15,000 partisans we active in North Korea in 1937 At the beginning of that year a Japanese paper noted with regret 34 raids in which 1,737 men took part A the end of 1936 a special conference of police and gendarme officials w called and detachments of regular troops, under the command of a st colonel, were sent out to deal with the partisans The Korean press full of news of the arrest of people of the working class

There is a strong anti war movement in Korea Hundreds of people are imprisoned for distributing posters, but others take their places O of 38 people arrested as members of a committee of Red teachers, in one

...were teachers, 11 peasants, 7 students, 1 a worker and 4 journalists. In recent years the numbers of police, prisons and detention cells have been increased. In 1935 an auxiliary police force of 200,000 was organized among "peace maintenance societies," firemen, reservists and young men's leagues. Extra police detention cells are especially needed in North Korea, "where the underground movement is gaining strength ... political offenders are now being put in barns and warehouses for lack of accommodation."

In spite of all this, the Korean partisans are able to keep up a real ... The *New York Times* of May 28, 1937, reported that partisans overpowered the police at the town of Hotama and regular troops had to be sent there. Over 40 were killed and wounded. In January 1937, 200 partisans with machine guns crossed the Yalu from Manchuria, seized a border town, burned government buildings and inflicted heavy losses on the police. Regulars were sent to try to drive the partisans back into Manchuria.

The original article gives some details of the much better situation of the Koreans in Soviet Union territory, and further details about the colonial rule of Japan in Formosa and Manchuria. It sums up the situation in Korea in one remark: "Such is the 'strength' behind the lines in one of the old colonies of Japan, the 25th anniversary of which was celebrated with such pomp in 1935."

O. L.

To the Editor of PACIFIC AFFAIRS

Sir:

It has been brought to my attention that the statement in *The Legal Status of Aliens in Pacific Countries*, page 8, line 7, to the effect that "special commercial rights are reserved for the Dutch," might be taken to mean that the Dutch exercise a commercial monopoly in Netherlands India. As this was not the meaning intended, and as it is well known that the colonial policy of Holland is that of the "open door," I would be grateful if you would point out in PACIFIC AFFAIRS that this statement had reference only to the disabilities of aliens as set out on pages 240-261, e.g., in respect of "free professions," "mining," "exploitation of forests," "coast fishing," "pearl fishing," "whale fishing," "coasting trade," "construction and exploitation of railways and tramways," and "aviation."

NORMAN MACKENZIE
Toronto, March 1938

THE LEGAL STATUS OF ALIENS IN PACIFIC COUNTRIES *Edited … Norman MacKenzie. London, New York, Toronto Oxford U… versity Press 1937. pp. 374 21s $7 00.*

IT WAS more than a decade ago that a Eurasian lady step… into my office to seek my advice on her legal troubles She had be… married to an American living in Japan, who had died during a busi… trip to America Desiring to proceed to America to look after the es… of her husband, she went to the American Consulate, but was to… they could not issue her a passport because she was not an Ame… citizen She went to the Foreign Office, but was told she must first … cure a copy of her family register She could not comply with the r… quirements, because at the time of her marriage she got her name st… off her family register, believing in all good faith that she had ceas… be a Japanese What was she to do? The solution of her legal tro… was happily not difficult The only thing she had to do was to b… legal proceedings to get her name restored to the family regist… … cause after all she had not according to Japanese law lost her Japa… nationality, not having obtained, under American law, her husband's … tionality by her marriage *Ignorantia juris non excusat,* but her ignora… of American nationality law cost her, I suppose, only a few hund… yen

Failure on the part of administrative officials or legislators to und… stand foreign legal institutions sometimes has led to international mis… derstandings and complications Before the Immigration Act of 1… some of the American immigration officials saw sinister designs in t… so-called "picture brides," who according to Japanese law had be… legally married to their husbands in America through their registrat… by the Registrar, no "celebration" being necessary for contracting m… riage in Japan Again a Canadian Ordinance-in-council of June 1… required Japanese applicants for naturalization to produce evidence t… they had already renounced their Japanese allegiance This meant th… imposition of an impossible condition for the applicants, and was, ind… based on a misunderstanding of Article 20 of the Japanese Nationa… Law, which provides that Japanese naturalized abroad *ipso facto* l… their Japanese nationality To the honor of the Canadian legislators … soon realized the mistake and the ordinance was amended in A… 1934 It may be added that friendly discussions between Canadian …

international tension, still does not preclude amelioration on certain [illegible]

Complete equality of treatment for aliens and nationals is Uto[illegible], and certain discriminations will continue to exist so long as nation[illegible] remains the keynote of international society. Therefore, advocate[illegible] reform today do not generally preach equality but "equitable [illegible]ment of aliens, and "equity" in this connection does not nec[illegible] mean "equality." In all the countries here represented there [illegible] criminations based on considerations of national welfare, whether [illegible]nomic, moral or hygienic. The test everywhere is not the we[illegible] humanity as a whole but the welfare of the particular nation. On [illegible] reflection it will appear that this is true even of the USSR [illegible] complete equality is there held up as an ideal. The anomalous s[illegible] in China, where aliens of certain states have privileges rather th[illegible] abilities, is a result of mature nationalisms coming in cont[illegible] inchoate nationalism.

Another basis for discrimination prevailing in the Pacific area is [illegible] The clear-cut racial policy of the Third Reich recently attracted [illegible] tion throughout the world, but this certainly is nothing new [illegible] Pacific area. The argument of "racial purity" combined with n[illegible] has long been advocated, and in regard to Oriental immigra[illegible] ticed, by the United States, Canada, Australia and New Zealand [illegible] British Dominions, like Canada, the racial principle can be ext[illegible] to nationals of Asiatic extraction, while in the United States an ex[illegible] application of the racial principle finds constitutional obstacles. Altho[illegible] the operation of the racial principle is naturally unpalatable t[illegible] races affected, they are helpless unless they can effectively adopt [illegible] retaliatory measures as will convince discriminating countries tha[illegible] after all against their national welfare to adopt discriminatory [illegible] Such retaliatory measures are, of course, impossible today in vie[illegible] the actual international relations of the countries concerned.

A third basis for discrimination is the social class. Although t[illegible] a basis for discriminatory legislation and practice, especially in [illegible]gration, in Western countries, the new Soviet regime emphas[illegible] class principle even in apparent derogation of traditional nationa[illegible] principles. In the West the test of the social class works against [illegible] workers, while in the USSR it works rather in favor of labo[illegible] although such favors are naturally restricted to those of Commu[illegible] ideology.

Until major political and economic questions are settled and int[illegible] and international political stability regained in some form or [illegible]

statesmen in each country will not pay any serious attention to these 'minor' problems It may, however, be well to remember that these 'minor' problems are, in some measure, the causes of those major international conflicts that trouble mankind at the present time.

K TAKAYANAGI

Tokyo, February 1938

PEACEFUL CHANGE, A STUDY IN INTERNATIONAL PROCEDURES *By Frederick Sherwood Dunn New York Council on Foreign Relations* 1937 *pp* vi + 151 *Index* $1 50

THE PROBLEM OF PEACEFUL CHANGE IN THE PACIFIC AREA A STUDY OF THE WORK OF THE INSTITUTE OF PACIFIC RELATIONS AND ITS BEARING ON THE PROBLEM OF PEACEFUL CHANGE *By Henry F Angus Auspices of the Secretariat, IPR London and New York Oxford* 1937 *pp* xii + 193 *No Index* 6 s $2 00

THE burning problem of peaceful change was the main subject ... tenth session of the International Studies Conference (part of ... activity of the Institute of Intellectual Cooperation) in Paris in June ... These two books formed preliminary reports to the conference ... first is intended as a study of methods of procedure, without ref- ... to specific problems The second is devoted wholly to the Pacific ... so that the two books are complementary

Professor Dunn first reviews the factual material on national policies, ... materials and population pressure prepared by the American group ... conference— a body comparable to a National Council of the ... and fulfilling much the same research functions This review dis- ... the terms of his problem to what extent are current procedures for ... change of status quo or other legal relations adequate for the ... of a workable peace system? What other procedures or agen- ... be devised? The author gets down to fundamentals Public ... may be concentrated, by psychological propaganda, on raw ... markets, and "room", but he shows that the innermost motives ... deeper Power politics, prestige and self-sufficiency are the real ... from which dissatisfaction flows Peaceful change may be a real, ... juridical problem, essential to the effort to "organize peace"; ... our world of today it takes its significance and urgency from the ... political fact that some of the great powers are putting forward ... to which some of the smaller powers may be better entitled Naturally, the colonial problem is prominent throughout the book

In examining the actual situation as regards raw materials and population pressures, the degree to which these controversial problems lend themselves to peaceful solution is also examined. The fallacy of speaking of "have" and "have not" nations is exposed, and a "code of fair play" suggested, to be applied under international non-political supervision, together with an international method of handling raw materials with the cooperation of governments and consumers, as a way of allaying the feeling of insecurity of the "dissatisfied" nations and the [illegible] of possession of the "have" nations. Concerning population pressure the author's conclusion is that only international action can regulate migration satisfactorily. The very limited usefulness of colonies as population outlets is clearly shown. In short, all change and readjustment is difficult under a poorly organized world system based mainly on "self-help," which means power and prestige. The author accordingly examines, with constant reference to historical precedent, negotiation, conciliation, Article 19 of the League Covenant, commissions of inquiry and international adjudication and other means of effecting peaceful change, and offers some conclusions in a final chapter.

Here it is appropriate to consider Professor Angus' book (which was written before the new outbreak of hostilities in the Far East). It is a magnificent piece of objective propaganda for the IPR and its activities. It digests the patient and scientific work of the Institute and the ramifications of its work in different countries to promote peaceful study and understanding. The author himself is fully aware of the limits of achievement by education and enlightenment. After discussing the relation between peaceful change and the research work of the IPR, the main part of the book reviews 12 years of IPR research in two categories: "research incidental to definite demands or suggestions for peaceful change," and "basic research which has an indirect bearing on the problem of peaceful change." The concluding chapters discuss the peace machinery, value of research and discussion and education in international affairs.

A whole chapter is devoted to Japanese and Chinese demands on and protests against each other and to Chinese demands for full sovereignty—restoration of tariff rights, jurisdiction over foreigners, [illegible]tion of territory—and Japanese pleas in connection with population pressure and raw materials, and Japanese and Chinese demands for better treatment of aliens and their descendants. Another chapter gives the details of IPR research on land, population, industrialization, investment and so forth. Professor Angus supplements Professor Dunn's s[illegible]

method with concrete examples of the whole problem of peaceful change of legal relations The economic, social and racial questions which are at the bottom of this problem are nowhere of greater magnitude than they are in the Pacific, nowhere are there deeper antagonisms at work, nowhere is there such a profound lack of smoothly working international machinery

What then are the main lessons of Professor Angus' book? He deals with the evil consequences of the concepts of "domestic matters" and sovereignty, when the welfare of millions of human beings is at stake, the fateful influence of national feelings of fear and insecurity, the rigid working of a treaty system without adequate machinery for adjustment, the need therefore for pressure, for some form of disinterested third party intervention He wisely stresses the international adjustment of national interests more than the settlement of disputes, as a rudimentary form of international legislation His repeated references to the idea of "international planning" and even "government" are illuminating In view of the special weakness of peace machinery in the Pacific he believes the only way out is through international planning which will make the general welfare the standard of national policies

Turning to Professor Dunn, the question arises whether it is right to use, as he does, conciliation and mediation as procedures of peaceful change Modern conciliation has advantages over mediation, which is an older form, in the way in which it uses the influence of "disinterested" third parties (as, e g, in the procedures of the League Council), non-political, non-national conciliators who are able to examine a difficulty or conflict of interest on its merits, regardless of their own national interests and independently of government instructions [illegible] might also have mentioned the American-Canadian Joint Boundary Commission, which has at times virtually created legislation

What is the governing idea in the order in which Professor Dunn discusses procedures? This might have been clearer if the evolution had been shown from procedures in which juxtaposed national representatives meet to those which eventually assume a supra-national character, and the more or less legislative functions in the various procedures had been fully revealed This would have provided adequate treatment of the function of League organs, which the book leaves too vague, for instance Article 11, par 2, would not have been neglected but would have been dealt with next to Article 19, to which it is closely related Article [illegible] would also have been more explicitly treated, and more attention given to the technical organizations and commissions of the League

Finally, the exact roles of the representatives of small powers and gr powers on the League Council would have been made clear

In both books, the main problem is the real meaning of peace change What is its relation to force and power? Both authors peaceful change with voluntary procedures and the consent of the terested parties Professor Dunn admits that he sees no way of co a recalcitrant state, because of the legal concept that internationa is based on the consent of nations He seems to be guilty of an statement Is it not to the detriment of international society an law to neglect the supra national facts and concepts? However, books end by shifting the accent from voluntary consent to the pre without which it would be unobtainable This is realism It lead the point where the central difficulty may be fully perceived Pro Dunn aptly defines the exact situation and the real problem wh speaks of "organizing" pressures, and "the manipulation of pressur The accent thus shifts from "voluntary," which retains only a fo meaning, to "peaceful" -also in a formal sense, meaning restrai pressure without war Like Professor Angus, he examines both sides every settlement - bargain or legislation, the individual interests o parties concerned or the general, community interest He also sh the deplorable effect of the nationalistic, self sufficient attitude of n and governments whose views are short sighted because focused e clusively on "disputes," and consequently attitudes of defense of on "change," and attitudes admitting legislation for the g welfare

In our unorganized world the "manipulation" of pressure depen ponderantly on the power considerations of the group of great po and the national interests of that special group of states As a wa of the difficulty, Professor Dunn suggests a new special procedur conflicts of national interest, by setting up small unofficial st committees in each country for the preliminary consideration o posals for changes in the status quo This would tend to org pressure by enlightened, dispassionate opinion, molded by im and objective, although national, research For new internation tutions he shows only slight sympathy, ascribing them to "wish thinking" Fortunately, he denies his own pessimism by recommen a non political, supra national commission to consider possible solut of the raw material problem

Even equitable changes of existing rights are difficult to obtain w out pressure This pressure is almost completely unorganized and

haphazard to the purely political considerations of national governments (the League Council, consisting of representatives of states, not international individuals) This suggests that our endeavors should be directed toward organizing the needed pressure in the international sphere, to take out its political taste and egoistic character and make it the cooperation of an organ of the international community as a whole This, as Professor Angus argues, would transform the "manipulation" of pressure into the embryonic organization of an international government

Both authors, considering the relation of peaceful change to force, conclude that without overwhelming force to back up decisions of change any machinery may prove weak and helpless where the interests at stake are considered vital

Professor Angus defines a change as peaceful "if the collective action itself legal or constitutional and has its basis in some form of international political organization" This comes back to the central problem how to organize an international collectivism provided with constitutional means of collective action The great value of both books is that they leave the strong impression that the problem of peaceful change can only be stated rightly within the frame of the organization of a real *international community* This presupposes two firm attitudes recognizing the fact that the nations of the world are part of a human community with which self sufficiency and power politics are fundamentally incompatible, and the fact that self help will not pay Until then, we may try to readjust by political methods—a very useful and necessary work to the authors of which we should be grateful—but we shall not succeed in setting up a machinery that is real and lasting because it is unradical, and we shall not attain the much-desired end of a guaranteed peace

Professor Angus describes the efforts made to organize a beginning of international cooperation in the Pacific, where the problem is painfully pressing Both he and Professor Dunn consider possible agencies of peaceful discussion and mutual information, but always the stumbling blocks are lack of community, power politics, self-reliance

In the face of such enormous difficulties it is no surprise that Professor Dunn rejects the redistribution or rendition of colonies In the midst of much loose talk of the rendition of Germany's former colonies, it is gratifying to note that he is alive to the interests and justifiable claims of the native populations of the mandated territories Rendition would be easy, but subversive for the natives, implying a "cavalier

treatment" of them He therefore supports the well known sugges[illegible] for experimenting with a truly international government in which [illegible] Germans might play a rightful and useful part The proposal [illegible] to be carefully examined, because any such solution bristles with [illegible] culties However, it cannot be denied that the idea is intrinsically [illegible] because it would be shameful to buy peace between the great pow[illegible] at the expense of populations which in the recent past have a[illegible] suffered enough hardships from the troubled state of a divided wo[illegible]

F VAN ASBECK

Leyden, January [illegible]

TSO TSUNG-T'ANG, SOLDIER AND STATESMAN OF OLD CHINA [illegible]
W L Bales Shanghai Kelly and Walsh 1937 pp 436 [illegible]

CAPTAIN BALES, in his study of the career of Tso Tsung-t'a[illegible] has provided more material than has yet been made available in E[illegible] lish for an estimate of Tso's position and significance in the histo[illegible] nineteenth-century China In particular, and in this lies the outsta[illegible] contribution of the book, for the first time we have a detailed [illegible] accompanied by excellent maps, of the military campaigns involve[illegible] the suppression of the T'aip'ing rebellion, the Nienfei and Moslem [illegible] risings, the expeditions to Sinkiang (Kashgaria), and the recove[illegible] the Ili valley Only a soldier with a real feel for topography and stra[illegible] could have analyzed, from the materials which are available, the stra[illegible] and tactics of Tso's campaigns, as well as the complicated pattern und[illegible] lying the relations between the general and the court at Peking

Tso Tsung-t'ang came from the gentry and took the usual exa[illegible] tions, but did not succeed in passing the third degree A natural ta[illegible] for geography led him into fields of reading which were of no pra[illegible] value in the examinations but stood him in good stead during his [illegible] tary career A man of exceptional character, he came to the fr[illegible] exceptional circumstances These circumstances were partly speci[illegible] T'aip'ing rebellion), partly general (the condition of China and [illegible] Manchu dynasty in the nineteenth century) The first was respons[illegible] for his emergence from obscurity, the second for the extraordinary [illegible] which at one time placed him over Manchu bannermen and ne[illegible] the throne That for the author the man and his career stand out as [illegible] dominant theme is the result of his interest and his method of appro[illegible] And a narrative of the life of a general and statesman as importan[illegible] Tso is in itself a social and political document of great significance

Captain Bales has covered the most important sources in Chinese which deal with Tso Tsung-t'ang, although one would expect certain additions to his bibliography, such as the *Tung Hua Lu*, the *Ch'ing Shih Kao*, the *Yi Wu Shih Mo*, the *Chung Hsing Pieh Chi* and the *Hsiang Chun Chih* (Wang K'ai-yun) which belongs with the *Hsiang Chun Chi*, which has been included. It would have been more helpful to anyone trying to check his statements if he had given fuller references and if a more tentative attitude had been adopted toward facts based on only one source. How is it possible to estimate the author's judgment and scholarship when it is impossible to discover how he has arrived at his conclusions about disputed questions? It is a pity that this has to be said, when it is obvious that Captain Bales has spent so many years of labor going through difficult Chinese materials.

The bibliography on foreign secondary sources is short but reasonably comprehensive as far as Tso Tsung-t'ang himself is concerned. It is true, however, both of the foreign and Chinese sources that they do not reveal either reading or research sufficient to support conclusions relating to matters outside the immediate career of Tso. It is unlikely that future research will give us any reason to quarrel with the author's conclusions that Tso was a great general and a great statesman, but it is necessary to insist that he has not dealt adequately with the conditions which were favorable to the rise of his hero. Nor did he set out to do so; but had he read more widely about the nature of Chinese society, for example, he would have been aware of problems to the solution of which he might have been able to make some contribution. As it is, this sober and sympathetic and not uncritical narrative of events has made so much the easier for a broader and deeper study of the man and the period to be made. In this sense *Tso Tsung-t'ang* is to be more than welcomed.

GEORGE E. TAYLOR
Peiping, December 1937

EARLY JAPANESE HISTORY. *By Robert Karl Reischauer and Jean Reischauer. Princeton University Press* and *Oxford University Press*, 1937. 2 *Vols. pp.* 405 *and* 249. $7.50 *the set.*

IT is perhaps fitting that I should be allowed this opportunity of reviewing Robert Reischauer's book. He had discussed his plans of this with me several years ago and I had encouraged him to proceed

with his project of a chronological list of the main events in Japanese history, because I agreed with him that Japanese studies were being hampered and delayed by the lack of reliable basic works of reference in English. Then, one day, in the summer of 1937, when I was enjoying the calm beauty of Lake Chuzenji, the silence of our secluded bay was broken by the arrival of a large motor launch, from which there leaped Robert Reischauer and a dozen or more members of the study party which he was conducting to Japan and China. He told me that his book was out, and that his party had insisted upon coming to see me after inspecting the shrines at Nikko and the natural beauties of the lake. I felt that I was being visited as if I were one of the designated historical monuments of the district, and I allowed myself to enjoy the sensations (grossly undeserved, I admit, but the chance was too good and too rare to miss) which I suppose must have been experienced by less spurious Oriental sages in the past when unknown disciples made pilgrimages to their mountain retreats. I wondered if I ought not to mark the occasion by some profound utterance, for quotation later, prefaced by the words "The Master said."

It was a flattering and delightful encounter. I was impressed by Robert's vigor and enthusiasm, and by the keenness of his companions. It seemed so hopeful a sign that these young men and women were seriously devoting themselves to work which would further understanding of the East by the West, and for the moment, in those peaceful surroundings and in that cheerful company, I was able to suppress the pessimistic forebodings that recent events had induced. Not many days afterwards I got word of Robert's death in Shanghai. By one of the ironic tragedies of which history is so fruitful, he whose life was to be devoted to two ancient cultures of the East met his end in a war waged between them with the most deadly modern weapons of the West.

It is a consolation to think that he had completed his book and made a definite contribution to the progress of Oriental studies. It is an unpretentious work, which does not claim to be more than a compilation, but it is none the less an original work in method and treatment. In the author's own words, it was "compiled for those who cannot read Japanese fluently and yet are sufficiently interested in the history of Japan to desire fairly detailed information that can be obtained only from Japanese sources." For that reason it marks a new phase in the study of Japanese history in American seats of learning. Previous textbooks have perforce been written on the assumption that the reader could not consult works written in Japanese. Thus a ve

...e work in this field, Nachod's *Geschichte von Japan*, consists of 3 volumes (some 1500 pages in all) crammed with detail on Japanese ...story up to A.D. 850, but it is drawn almost entirely from sources ...European languages.

...would be ungrateful to find fault with such a monumental study, ...it is clear that we have now reached a stage where Western stu-...nts must no longer rely upon the work of pioneer Western scholars, ...of which is obsolete, but deal with primary or secondary mate... ...n Japanese. So great are the linguistic difficulties to be overcome ...they must, if they are to get good work done quickly, be afforded ...possible mechanical assistance. It is easy to argue that a competent ...nt should go direct to Japanese sources, but even those who are ...with Japanese and Chinese books do not want to waste time ...bor that can be economized, and it is easier and quicker for an ...accustomed from childhood to the roman alphabet and arabic ...als to consult works of reference in European languages. At ...the best service that can be rendered to the cause of Oriental ...and particularly Japanese studies, is the provision of good ...-dictionaries, indexes, chronological tables, translations of leading ...books and similar implements of research. The ideograph is in...ensible, but there is no reason why it should be made a fetish. ...only beginners, but also those hardened readers whose eyes have ...and whose heads have swum in the pursuit of a fugitive reference ...volume to volume of ideographic script are entitled to all possible ...in the form of well-arranged and clearly printed works of the ...just mentioned.

...it is essential that those works should be of the highest standard ...uracy and therefore that they should be compiled by competent ...nscientious scholars. Robert Reischauer's *Early Japanese History* ...good example. It is a chronological list of important events in ...nese history from mythological times to A.D. 1167, to which is ...ed an outline of early Japanese history, which together with vari-...ts and diagrams forms a useful introduction to the tabulated ...ial. The tabulated material is well chosen and concisely presented. ...compiler very properly followed the choice of the best Japanese ...rities in deciding what events to include and omit. The following ...t will show the method:

... (Enryaku 7.12.7) Subjugating-the-East Great General (Seitō dai-...shogun) Ki Kosami was given his sword of office (settō).

789 2 27 (Enryaku 8 1 28) It was commanded that no university student who had not attained the age of 30 be allowed to become a Professor of a Provincial School (Kuni no hakase)

789 4 8 (3 9) The army for the conquest of the Ezo, having assembled at the Taga jo (a fortress in Rikuzen-no-kuni) entered the enemy's country by various routes

789 6 30 (6 3) Subjugating the East General (Seitō Shogun) [K]osami [reported the results of his expedition against the Ezo and] explained how very strong the enemy was [After repeated delays he] had advanced further into Ezo territory only to be suddenly attacked and disastrously defeated while his army was crossing a river] He stated that his casualties were as follows 25 killed, 245 wounded, 1,257 stripped of their clothing and equipment

Here we have dates according both to Western chronology and the Japanese era, so that reference to Japanese chronicles is made [easy]. A student working on a given period has before him a succinct re[cord] of events in their sequence, names, titles and technical terms given in original and in translation, while entries of special interest are explained by the compiler in brackets The result is that even a student with only a rudimentary knowledge of Japanese is in a position to consult primary sources, while a more advanced student is saved a good deal of time and trouble

The second volume (which is in part the work of Mrs Reischauer) contains maps, tables, a combined glossary and index, and an [index] of Chinese characters It includes also some useful discussion on the transliteration and translation of historical terminology Its typographical arrangement, especially in regard to Chinese characters though creditable in the circumstances, is somewhat unsatisfactory It is admittedly only a provisional volume, and it is to be hoped that it will soon be produced in an improved form The first volume also m[ight] perhaps with advantage have made more use of typographical de[vices—] italics, different fonts, etc

Altogether this is a very welcome book It is of greater and more permanent value than most recent works on Japan The authors planned to issue further volumes, continuing the record down to m[od]ern times It is to be hoped that somebody will carry on this wo[rk] though one cannot but foresee difficulties as later periods are approa[ched]. It is tolerably easy to decide what recorded events are important w[hen] historical material is, on the whole, scanty But there is a vast am[ount] of documentation for the Kamakura period and after, so that the t[ask] of selection will require acute historical judgment and much to[il. It] might be best to neglect all but the most outstanding events in su[ch]

specialized fields as the history of literature and art, and pure economic tory will present some ticklish problems

n conclusion it is worth remarking that this work appears under auspices of an American university. It is evidence of the growing portance attached in American seats of learning to Japanese studies, at the same time it calls attention to the lack of facilities for those dies in the British Isles

G B SANSOM
Tokyo, February 1938

GEKIHENKI NO NIPPON KEIZAI (JAPANESE ECONOMY IN VIOLENT TRANSITION) *By Tanzan Ishibashi Tokyo Toyo Keizai Shimpo Sha* 1937 *pp* xxiv + 637 Y 2 50

IN THE eyes of most Occidental observers, the fighting in China Japan more a financial than a military adventure Will Japan's nomic structure stand the increasing financial pressure? This book, ection of articles and lectures by one of the leading financial critics Japan, long editor of the *Toyo Keizai Shimpo* (*Oriental Economist*), pertinent to this question, though it gives no direct answer

Analyzing the financial and economic changes in Japan since 1932, Mr Ishibashi reaches the optimistic conclusion that despite the rapid ansion of state finances, Japan has not suffered serious inflation, on contrary, it has recovered from the worldwide depression more rap than any other country, and has been able to some extent to bilize the national livelihood" The success of the government's mic policy, which the author terms "reflation," is attributed to fact that the increase of state expenditure since 1932 has, by in- ing consumption, put to work the idle plant capacity and labor h had accumulated during the depression Mr Ishibashi believes, ever, that the surplus capacity has now been completely absorbed, warns, therefore, that Japan has now entered a period in which the ous optimism is no longer permissible The "China Incident," he ts confronts the nation with tremendous dangers, though he is without hope for unprecedented national progress

In Part I, discussing the present financial outlook, Mr Ishibashi ob- ves that, in contrast to the situation after the Sino-Japanese and Russo nese wars, there is little prospect that after the present hostilities an will receive either a large war indemnity or substantial foreign

loans The war and its aftermath will, therefore, have to be financed from Japan's own resources Even an early end to the war in Ch[illegible] which he thinks unlikely, would offer no possibility of immediate [illegible] tion of state finances The international situation points to increas[illegible] defense expenditures, and, in view of this, he predicts an annual [illegible] budget of the General Account of ¥3,400 million to ¥3,500 mi[illegible] necessitating an annual government loan issue of about ¥1,000 mi[illegible]

This would seem to point to inflation, but Mr Ishibashi is stro[illegible] opposed to any such policy He therefore advocates increasing tax[illegible] to the extent of something like ¥500 million for the year 1938-39. H[e] has, in fact, a favorite theory that higher taxes never affect bu[illegible] because they entail no change in the purchasing power of the nati[on as] a whole though they may affect the distribution of purchasing po[wer]. With equal vigor he condemns the extension of economic con[trol] but admits the necessity of regulating capital investment in war[illegible]

That his own recommendations run directly counter to the pol[icy] now being pursued by the Japanese Government, the author frank[ly] admits At one point, indeed, he criticizes the economic views o[f the] Army as set forth in a War Office pamphlet of 1936 Military expen[di]ture, he believes, is beneficial to industry only when overproduc[tion] exists, as it did in Japan before 1936 He questions, also, the pamph[let's] claim that most munitions materials are domestically produced [and] fears that rapidly increasing military expenditures would lead to [a] dangerous increase in imports

Turning in Part II to currency questions, Mr Ishibashi has high pr[aise] for the monetary policy which has been followed since the abandonm[ent] of the gold standard in December 1931 This alone, he believes, [has] enabled the country to absorb ¥2,000 million in government bo[nds] since 1932, and has correspondingly stimulated economic activity with[out] the slightest trace of inflation He asserts, moreover, that despi[te a] nominal gold standard Japan has really had a managed currency sin[ce] 1897, as the currency in circulation has hardly been regulated by th[e] Bank of Japan's gold holdings, which have frequently been replenis[hed] by foreign funds Hence the step taken in 1931 merely freed wh[at] was already a managed currency system from the restrictions acco[m]panying a nominal gold standard The import license system, on th[e] other hand, is severely criticized in Part III, which deals with fore[ign] exchange and the adjustment of commodity prices It is exchange co[n]trol, Mr Ishibashi thinks, which weakens the exchange value of [the] yen The Finance Ministry can restrict the "actual" demand for fore[ign]

-ncies, but the "potential" demand is increased by the fear of still
ier import exchange restrictions, this in turn increases the "actual"
and, and the result is the opposite of that intended He advocates
ediate abandonment of the system if the present exchange value of
en is to be maintained, and predicts that it would bring about a fall
rices in Japan

urthermore, he attributes the conspicuous increase in commodity
s early in 1937 to the rising cost of imports The *Toyo Keizai*
ipo Sha's wholesale price index showed a 31 per cent increase from
1936 to March 1937 Imported goods rose as much as 55 4 per cent,
e goods produced and consumed at home averaged only a 6 per
gain He concludes that this sharp advance in prices simply re
d rising prices abroad The only solution, he thinks, is to raise
exchange value of the yen, though the need is not immediately
nt as a sharp increase in world commodity prices is considered un
. For the dual purpose of adjusting the foreign trade balance and
enting domestic prices from rising above foreign prices, he advocates
importation of goods without exchange control or other restrictions,
ul expansion of armaments and armament productive capacity,
led with the utmost economy in imported armament materials, and
nent of gold if, despite these measures, there is an increase in the
s of imports over exports

Part IV the author examines the development of Japan's foreign
from a long range point of view and concludes that the future
ok is promising Since the departure from gold in 1931, Japan has
rgone "a second industrial revolution," and since that turning point
rked increase in the export of manufactured goods has ameliorated
adverse trade balance He predicts that this tendency will continue,
foreign manufactured imports decreasing and domestic manufac-
s developing larger output and new varieties of goods

Part V, reviewing internal business conditions, Mr Ishibashi takes
he question of expanding productive capacity to match the expansion
ate finances Since the domestic supply of raw materials is limited,
a large increase in imports is out of the question for various rea-
he thinks it will be impossible to expand production for the
gthening of armaments as quickly as the military authorities ap
ntly desire Even if enormous arms appropriations are made, they
ot all be spent because of the actual lack of materials and pro
ve capacity Hence he does not believe that a further rapid expansion
ate finances in 1938-39 will bring about disastrous inflation

He sees indications, however, that prosperity is spreading from munitions to other industries, as the former begin to spend their increased incomes. Should this process become general, it will entail credit expansion, a measure of which has already taken place. Unless production can be commensurately expanded, inflation would be inevitable. As productive capacity in the consumers' goods industries is already sufficient to permit a greater output, the expansion of plant capacity must come first in heavy industry, especially armament machinery. The author sees no prospect of decreasing arms expenditures, but proposes, as a practical measure, that they be limited to Y1,000 million a year, unless a larger sum should be warranted by an increase in productive capacity.

In Part VI Mr. Ishibashi ranges widely, from politics and diplomacy to social problems. He criticizes the Konoye cabinet's emphasis on "spiritual mobilization," on the ground that it has produced no concrete program whatever; he foresees a revival of the prestige of political parties; he sees little profit in the dispatch of official "goodwill" envoys to America and Europe, pointing out, incidentally, that as the aims of the government in China have not been made clear even in Japan no Japanese is in a position to offer convincing explanations to foreigners. Finally, he believes that China will suffer much more than Japan from prolonged warfare. China's financial and economic difficulties are the greater because of the great difference between its productive capacity and that of Japan. Foreign aid is China's only hope, but the Chinese have yet to learn what protracted fighting will mean for them.

This book can be taken as a frank discussion of Japan's recent years of rapid change, by an independent and conscientious writer who is neither an official nor a retained journalist. It is to be regretted that so able a commentator should have failed to make any reference to Manchukuo or to the question of a Japan-Manchukuo-North China economic bloc. Perhaps he will deal in the future with this problem, on which is now concentrated the attention of both critical and sympathetic observers of Far Eastern developments.

N. YASUO

MALAYSIA, A STUDY IN DIRECT AND INDIRECT RULE. *By Rupert Emerson. New York: Macmillan. 1937. pp. xii + 536. $5.00.*

THE object of the author of this book, an Associate Professor of Government at Harvard, has been "to explore the history, structure

and working of the political systems established by the British in the Malay Peninsula and, in a comparative fashion, to give at least some indication of the very different system of the Dutch in the neighboring Indies, as he says, 'it embraces only a small corner of the East, but a corner which has proved peculiarly fertile soil for the development of various systems of indirect rule." Professor Emerson writes with the authority of a trained and keenly observant student of political science, who spent a year in Malaysia studying its problems on the spot. He also writes, in most contexts, with the dispassionateness of a man reviewing systems for which his own country is not responsible.

The first three chapters, "The Setting of the Problem," "The Historical Background," "The British Forward Movement," deal well and concisely with subjects already handled by several authors, but in the rest of the book Professor Emerson writes of recent political developments only to be studied in blue books, newspapers and government archives; his chapters are authoritative and provide the only adequate (and in fact the only) history of modern Malaya, even if some of the protagonists of decentralization may differ with him over minor detail. The book will be of value to Malaysian administrations, and British Malaya is fortunate to have found such an exponent of its later history, but the work should appeal to a far wider field as a study of colonial administration.

Writing of the colony of the Straits Settlements, and of the official majority in its Legislative Council, Emerson concludes "the only realistic question that can be asked is whether the Straits Settlements have in fact arrived within hailing distance of independence or home rule. If they have, there is every reason to embark on the stormy journey, which leads to it, if not, then it is better to abide by the established forms with their clear certainty of direct control by the Colonial Office." "At present," he rightly says, "there is little doubt that the answer must be in the negative, for both internal and external reasons", and he puts his finger on a far more important problem, when he remarks, "One grave shortcoming of the system, inevitably present in all colonial areas, is that labor and the lower classes generally can secure no direct representation." At the same time the refraction of America's high wages and wealth has perhaps led him to see too much "sordid poverty" in the Asiatic inhabitants, that sordid poverty does exist in a minority and that the Malaysian Governments are only now beginning to deal with it is perfectly true.

There are a few errors and a few ungenerous criticisms. "The func-

tions of a white man in a colony are limited to ruling. . . . Any other form of occupation is degrading and damaging to the white prestige. How would Australia, Canada, South Africa, even the United States have come into being, if this had been the typical British and Dutch attitude? Professor Emerson has himself had experience of the tropical climate. On page 479 he seems to hint at the possibility of forest reserves being kept "not for the ultimate benefit of the Malays" but to be alienated later to British planters! Probably, too, he travelled mostly by car or he would have discovered that first-class compartments in Malayan trains are not reserved for Europeans (p. 485). In Johore, at any rate, the alienation of land is in the hands of the Sultan in Executive Council and the needs of the Malays are keenly debated and considered (by a Malay majority), before approval is given (p. 53). Nor is Professor Emerson right about Malay reservations (p. 478): the only difficult opposition has come from the Malays themselves, who see the value of their land depreciated if its sale is confined to the restricted market of their improvident fellow countrymen.

Professor Emerson hardly gives the European administrations sufficient credit for lifting the native out of disease and mental and political inertia, and he concludes: "That there is still much which the Netherlands Indies and British Malaya might learn from their imperial masters seems to me a self-evident proposition but it is by no means evident that these masters will be prepared to teach them. . . . The possession of the power of self-government is in the modern world the most vital instrument in the struggle for both economic and cultural survival." Can even the value of self-government be overrated? It led Germany into the Great War and Russia into Bolshevism. If Julius Caesar, or later the Papacy, had had motor-cars and aeroplanes, there might have been a Federal Europe, with very little self-government for the component parts but no war budgets or air-raids.

R. O. WINSTEDT

London, October 1937

OVER THE NORTH POLE. *By George Baidukov. New York: Harcourt, Brace and Company.* 1938. *pp.* xiv + 99. $1.50.

MEN with wings have captured the imagination of their earthbound fellows from the days of Daedalus. So that it is little to be wondered that an account of the first transpolar flight linking the two

...ntinents which bound the Pacific should be absorbing reading The ...rrative of the Soviet flight from Moscow to Vancouver, Washington, June 1937, written by George Baidukov, the co-pilot, is moreover ...delightful narrative which makes it difficult to put the book down once ...t has been begun Starting with the obtaining of official permission for ...the flight, the story takes the reader through the final preparations and ...to the cabin of the ANT-25 for the 62-hour journey When the tale ...ends on the Vancouver landing field, the reader almost literally emerges ...from the plane with the three fliers, feeling that an arduous job has been ...cessfully carried out.

The strongest impression retained from the reading is not so much ...the daring concept of the flight, the careful planning involved, the ...dangers which were survived, nor yet the significance of the scientific ...r but rather the simple way in which great deeds can be accom-...plished, given the requisite skill and opportunity The reader also finds ...he has acquired a sense of affectionate companionship for the three ...et fliers who have opened "a new route, joining two worlds across ...inaccessible Arctic" It is necessary in fact to revert to Americanese ...adequately to characterize the impression retained of the three aviators ...and to designate Chkalov, Baidukov and Beliakov "swell guys," thereby somehow increasing their stature as heroes

Kathleen Barnes
New York, March 1938

The Problem of International Investment *Royal Institute of International Affairs London Oxford* 1937 *pp* 381 $7 50

This volume is indispensable for anyone who sets out to study ...relationships of nations as creditors and debtors Beyond this, how-...ever, the study group responsible for this volume has given the most ...comprehensive analysis of the flow of money, its influence on interna-...tional trade and commerce, and the phenomenon of international in-...vestments both as cause and result of the great currents in the field of ...international relations An amazing amount of material is put together ...and arranged in a brilliant way, and the intricacies of the problem will ...prove no handicap to even untrained readers. A historical survey pre-...sents the origin and the growth of investments, their fate under the ...strain of depression and their stimulating effect on international trade ...in prosperous times

One of the greatest obstacles facing the study group in the preparation of this report was the inaccuracy and scantiness of the existing material. Careful comparison and analysis of the source material available has overcome this impediment. Of particular interest in the light of current developments is the geographical distribution of British investments, and here the study group has prepared a new survey, basing its findings on different earlier estimates made by Sir Robert Kindersley. The emergence of the British Empire as the greatest debtor of the United Kingdom confirms the trend toward economic nationalism which no nation seems to be able to escape. The rise of London as the financial center of the world, and the challenge to its leadership after the world war, are presented in a detached and extremely illuminating manner.

Coincident with Britain's decline as the banker of the world is the sudden shift of the United States from a debtor nation to an outstanding creditor. In 1913, investments by foreigners in America amounted to nearly $5,000 millions, while the foreign investments of United States citizens were only half this amount; in 1930, America's foreign holdings had risen to $15,700 millions, and foreign investments in the United States were less than $7,000 millions. The effect of this change on the development of the United States' foreign policies cannot be overlooked. At a time when foreign investments have again become an important element in the discussion of war and peace, this book enables the public to base its judgment on essential facts rather than on more or less vague ideas about the "economic stake" of nations in every section of the globe.

ERNEST O. HAUSER
New York, December 1937

THE HISTORICAL DEVELOPMENT OF LABOR RELATIONSHIPS IN A REMOTE CORNER OF JAVA AS THEY APPLY TO THE CULTIVATION OF RICE. *By Dr G. H. van der Kolff. Report C, International Research Series of the IPR, issued under the auspices of the National Council for the Netherlands and the Netherlands Indies. Batavia.* 1936. *pp.* 61. *Fl* 50

THE labor system and the wage costs of rice culture prevailing in four groups of rather isolated villages on the south coast of eastern Java in 1922 are compared with those obtaining in 1936 when these village complexes, though still remote, had become somewhat less iso

[illegible]lated The result is a significant picture of the role played by mere increase in population relative to available arable land in producing differentiation into social classes within fairly homogeneous communities The increase in the number of the landless is found to be one of the major causes not merely of social stratification but also of the moving of a relatively primitive agricultural society along the road from a nonmonetary purely barter economy toward a monetary economy

The study should interest anthropologists as well as students of the [illegible] of culture patterns They will note, for example, that the role played by transplanting rice from seedbeds into the paddy field, a practice found in the culture of no other cereal, has been a major factor in determining the character of the labor system and its place in the general culture pattern, especially the role of women in agriculture

For the agricultural economist and the student of the business cycle the study is of interest because it records the repercussions of the world drop in agricultural prices upon this remote corner of a tropical island where communication with the outside world is slight and where the beginnings only of a monetary economy had become established One of the results of the world depression has been to force some of these remote communities back again into a more nearly pure barter economy The earlier approach to a monetary economy had increased the employment of women in the rice paddies, the depression reversed this trend

The author's analysis of the consequence of the movement in the [illegible] of monetary economy and its reversal during the depression upon the standard of living, though very brief, is so suggestive, it is to be hoped he will soon develop his ideas in greater detail for the benefit of those interested in the study of the factors that determine the level of living The use of the employment of women as a possible index to prosperity is suggested Their working for a wage is connected with the decay of home industries under the impact of a monetary economy, whereby labor is released Among the lower classes the gainful employment of women may indeed indicate rising prosperity for the lower classes

All in all this short study shows how very much more may be learned by the analysis of a very definite and concrete situation than by the investigation of a large and ill-defined complex in which the factors at work are so multifarious it is wellnigh impossible to distinguish the important from the trivial.

Carl L. Alsberg

INTERNATIONAL CONTROL IN THE NON FERROUS METALS *By W Y Elliott, E S May, J W F Rowe, Alex Skelton and Donald Wallace. New York The Macmillan Company (Auspices of the Bureau of International Research of Harvard University and Radcliffe College)* 1937 *pp* 801 $6 50.

THIS is a companion piece to my own book, *The Strategy of Raw Materials A Study of America in Peace and War*, published under the same auspices In a world in which the excesses of nationalism and autarchy threaten the breakdown of international society, a fundamental volume on the implications of international control in non ferrous metals is of great importance For whether the world continues along lines of extreme economic nationalism or redirects its energies toward a workable form of internationalism, minerals will remain one of the basic mediums through which either process will be achieved.

Part I of this book deals with the political and economic implications of efforts to control production on an international scale in the principal non ferrous metals As is pointed out by Professor Elliott in the Introduction, "The interests which come under study of the non ferrous metals include most of those which move the colonial and foreign offices of the Great Powers Often this does not ripple the official surface but lies deeper" The industries, moreover, which are dependent upon trade in the non ferrous metals "are focal points in the international economic struggle They will reflect in their future the play of all the major factors which determine world rivalries—or world agreement"

Part II, the major portion of the volume, is made up of separate chapters dealing with nickel, aluminum, tin, copper, lead and zinc The authors discuss exhaustively the physical background and circumstances of the current production and consumption of these metals They add historical surveys of the exploitation of each with particular emphasis on the Great War and postwar periods The concluding sections of each study, moreover, deal with the political implications of the existing system of exploitation

It is no exaggeration to state that this represents the first serious attempt at a really searching analysis of the technique by which international price control of minerals has been tried, with results of major importance, political and economic, to the future of international relations "It is certain," to quote Professor Elliott, "that if nationalism seems for the time triumphant, there must come a reaction against its methods For nowhere more than in these vital and limited sources of raw materials

...as of an industrial civilization is there a need of genuine economic ...velopment both for the future of the industries and for the peace of the world."

While it is obvious that the 800 pages of this important work contain ...chnical and statistical details beyond the direct interests of many students, the international implications of the factual evidence presented cannot be ignored. Not only will this book be used as a primary source of information but it should likewise serve as a model for future fundamental studies in the international significance of other minerals and raw materials.

BROOKS EMENY

ASIA'S GOOD NEIGHBOR. *By Walter Karig. Indianapolis and New York: Bobbs-Merrill Co. 1937. pp. 308. $2.50.*

SUMMARIZING United States policy in the Pacific, Mr. Karig ...tempts to show that "the more war talk there is in the United States, ...e more difficult we make it for the Japanese people to loosen the grip ...their own militarists." However, when it comes to the question of ...to be Asia's good neighbor without being a bad neighbor toward ...ast one Asiatic power, the author seems bewildered as to what ...tude to assume toward China. To say that "China is an indefinable, ...phous entity" seems a rather doubtful subterfuge in the face of ...s national unification. The book is a good condensed study of the problem of American Pacific policy. The historical background of ...ent developments is presented in a pleasant, readable way, and the ...hor shows an intelligent understanding of political back-stage mech...nism.

ERNEST O. HAUSER

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BOOKS REVIEWED IN THIS ISSUE

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"A BRITISH OBSERVER"—who does not [illegible] his true name, because he is living in a [illegible] China where the Japanese military [illegible] wish it to be thought that they [illegible] control

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New Books of Importance to Members of the Institute of Pacific Relations.

Bolshoi Sovetskii Atlas Mira (Great Soviet World Atlas), Vol I Editors A F Gorkin, O Y Shmidt V I Mor [illegible] M V Nikitin, B M Shaposhnikov [illegible] Publication Institute of the Great Soviet World Atlas, Moscow, 1937, R 200, $40 Reviewed in this issue, see p 383

Land Utilization in China by J Lossing Buck (Commercial Press Shanghai Oxford, London U of Chicago Press, 1938 Complete set, $15 00 Vols I and II $[illegible] each Vol III $10 00) All three volumes under this title are now available, the [illegible] descriptive, the second an Atlas, the third, statistics

Propaganda from China and Japan a Case Study in Propaganda Analysis by Bruno Lasker and Agnes Roman (American Council, IPR, 1938, $1 50) Reviewed this issue, see p 417

The Small Industries of Japan Their Growth and Development by Teijiro Uyeda and associates (Oxford London 1938, 15s) A report in the International Research Series of the Institute of Pacific Relations issued under the auspices of the Japanese Council

Canada Today A Study of Her National Interests and National Policy by F R Scott (Oxford, London Toronto New York 1938 $1 25) Prepared for the B[illegible] Commonwealth Relations Conference 1938 Issued under the auspices of the Canadian Institute of International Affairs

Australia's National Interests and National Policy by H L Harris (Melbourne University Press in association with Oxford University Press 1938 5s) Prepared for the British Commonwealth Relations Conference, 1938 Issued under the auspices of Australian Institute of International Affairs

China and Japan Information Dept Paper of the Royal Institute of International Affairs (Oxford London and New York, 1938 2s 6d 75c) An excellent handbook covering the political and economic factors in the present Far Eastern war summarizing diplomatic and military events from 1860 to the end of 1937

Problems of the Pacific 1936 edited by W L Holland and Kate L Mitchell (Oxford University Press London 21 s , University of Chicago Press, $5 00 1937 The proceedings of the Sixth Conference of the Institute of Pacific Relations

French Indo China by Virginia Thompson (Macmillan, New York, 1937 $5 00) An authoritative, comprehensive history of Indo China and of the French administration of the country, published under the auspices of the American Council, Institute of Pacific Relations

THE PEOPLE BEHIND THE CHINESE GUERILLAS

HALDORE HANSON

CHINESE guerilla bands operating against the Japanese supply lines in North and Central China have received constant attention in foreign news dispatches—attacks on Japanese motor convoys, annihilation of railway garrisons, ripping up rails and wrecking Japanese trains, cutting telephone wires, demolishing coal mines used by the invaders, and killing traitorous Chinese who work for the new Japanese regimes. Candid observers admit that the guerillas have done little to slow down the Japanese war machine. They have inflicted several hundred Japanese casualties every week and helped to wear down the Japanese morale. Is that all?

Behind this military weakness is a political strength which may prove of far-reaching importance "Self-Defense Governments" have sprung up everywhere in the wake of the Japanese army to arouse the villagers with anti-Japanese propaganda Led jointly by Communist agents and patriotic university students, these emergency regimes sandwiched between the Japanese-controlled railways have reorganized roughly one third of the half million square miles of territory nominally conquered by Japan (the eight provinces of Hopei, Chahar, Suiyuan, Shansi, Shantung, Kiangsu, Chekiang and Anhui) Chinese political agents continue to follow at the heels of the Japanese army, which is powerless to oppose political developments as long as most of the troops are needed at the front. The conquest of the railways appears to be only the first step in the war, the second stage being the subjugation of the hinterland controlled by the guerillas—a costly and bloody undertaking.

To assess the strength of the Self-Defense Governments and the mass movement supporting the guerillas, I spent two weeks traveling through guerilla territory in Central Hopei in March 1938, and brought back copies of nearly all the official documents of the government in addition to my own observations. The documents, translated into English, will be incorporated in this article.

The Central Hopei mass movement follows a general pattern laid down by the Communist Party and employed in seven other provinces. A British army officer who travelled through Chekiang and an American marine officer who visited the guerillas in Shansi found conditions similar to those in Hopei. The following description may therefore be regarded as representative of a political movement which embraces 150,000 square miles and a population of 75,000,000 people—all in the rear of the Japanese army.

In October 1937, a brigade of former warlord troops seized the walled town of Kaoyang 80 miles south of Peiping and began organizing a new Government. The officers who took command had previously undergone Communist training and were assisted by a handful of young organizers from the Anti-Japanese Academy in northern Shensi (formerly the Red Political Academy). During the next six months of intensive political activity the Japanese army paid not the slightest attention to this potential enemy.

The first step in the organization of the Self-Defense Government was the choosing of a Mobilization Committee, a group of local people empowered to draft soldiers, propagandize the people, exterminate traitors, requisition money, food, clothing, technical skill and common labor. In other words, the Mobilization Committee was a local government exercising dictatorial powers for the duration of the war. Despite its unlimited authority the Committee, it should be said at once, has generally attained its ends by persuasive propaganda rather than by coercion.

To ensure the broadest popular support the membership of the Mobilization Committee includes landlords, tenants, usurers, merchants and professional men—every social and economic class in the village or town. The original nucleus of the Committee was the National Salvation Association, a patriotic reform society which had branches in almost every town of Hopei before the war. To this society are added the representatives of the gentry, the Chamber of Commerce, the school teachers, and the local Moslems. Special friendliness has been shown toward the Moslems wherever the Reds have gone.

As the guerilla movement expands, this type of mobilization committee is duplicated in every district, town and village, each with

the same stratification of membership and the same powers. The influence of the mobilization bodies is exerted not directly upon the people but indirectly through hundreds of mass organizations, some new and some old, but all geared into the mass mobilization system It is the hope of the political agents to enroll every man, woman and child in at least one of these organizations.[1]

A women's association (*fu nu hui*), for example, will ultimately include all women over the age of 15 The leaders of the organization are young girls, most of them less than 20 years old. I saw some of them hiking along the roads, dressed in snappy uniforms, proceeding from village to village to direct propaganda. They spoke at several mass meetings which I attended. Unlike the Communist program in 1927, the Hopei mass movement does not permit women to enter any of the military organizations and has discouraged them from leaving their homes, except for the handful of travelling organizers. The chief duty of the women is said to be "The rearing of anti-Japanese children and the tending of fields while the men are taking military training"

The young people have three organizations—a students' union, a Young Men's National Salvation Association (ages 15 to 18), and the Little Vanguards (boys between the ages of 8 and 15) Each group has a distinctive uniform and is engaged principally in propaganda work—public dramatics, speech making, song and cheer leading, and poster drawing Young people are very prominent at all the public mass meetings

The Chamber of Commerce has been broadened to include all merchants and has assumed the powers of a supreme commercial control bureau, regulating prices, issuing passports for the export and import of goods, searching for Japanese manufactures, and controlling currency. A new guerilla bank in Hopei which has issued Ch.$20,000,000 in paper money (backed by an equal reserve of Central Government notes) is controlled by the Chamber of Commerce.

[1] In March 1938 the Central Hopei guerilla leaders estimated that of the 7,000,000 people under their control, 2,000,000 were already active in one or more of the mass organizations, another 2,000,000 were hopelessly conservative, and the remaining 3,000,000 were potentially active workers when propaganda was properly disseminated

By far the most important organization for popularizing the work of the Mobilization Committee is the Village Self-Defense Corps, a militia which will give military training to every man between the ages of 18 and 54. About 500,000 men were enrolled for such training in the spring of 1938. They were armed with broad swords, long swords, flintlock rifles, antiquated pistols, spears and hand grenades, mostly quite worthless against the Japanese, but the very fact that they have received a small amount of military training and have been taught to sing patriotic songs, shout nationalistic slogans, and answer a catechism on guerilla warfare makes them enthusiastic supporters of the Mobilization Committee in supplying food to the guerillas who are fighting along the railway.

The guerillas tell one amusing story which would seem to indicate that the Self-Defense Corps is not entirely useless as a military force. The guerillas had captured five Japanese motor trucks east of Shihchiachuang and were trying to drive them to their headquarters, but the villagers three times attacked them, hurling spears at the tan-colored vehicles and shattering two of the windshields. The guerillas finally gave up their effort and telephoned to headquarters for a can of paint.

The Self-Defense Corps performs a number of important duties. It maintains guards at the edge of each village day and night to inspect the passports of farmers who are travelling through guerilla territory. This is a precaution against Japanese spies. I was stopped more than 100 times by these poorly armed farmers wearing yellow armbands on which are written the six characters, ***tung yuan hui tze wei tui*** (Mobilization Committee Self-Defense Corps). Another duty is the supplying of spies whenever the Japanese are operating near the village. Military transport is often left to the Self-Defense Corps, each unit passing the goods on to the next village. The suppression of opium and narcotics (a death penalty is imposed for both selling and smoking) is also entrusted to the village corps. All these minor activities help to build up a spirit of mutual co-operation among the peasants and an interest in governmental activities.

The most important weapons of propaganda employed by the

leaders of the Self-Defense Government are the mass meeting, the school, the newspaper, and the poster. I attended several mass meetings where over 20,000 peasants were gathered in a single town to listen to speeches, dramas and patriotic songs. The speeches were all anti-Japanese, painting the Japanese militarist as the most depraved fiend on earth. Every atrocity committed by the Japanese soldiers—murder, rape, robbery, the burning of villages, the poisoning of wells—was dwelt on in the blood-chilling orations delivered by these political agents.

Next the students' Under Fire Dramatic Club, supervised by several professors from Peiping, presented a series of one-act plays lasting five hours. The themes were all anti-Japanese and had been written especially for the Hopei people. A typical theme: a drunken Japanese soldier (the actor wearing a real Japanese uniform) enters a home and tries to rape the mother but is killed by the daughter who fetches the family meat cleaver. The crowd cheered lustily when the little girl, after hesitating for several minutes, finally killed the enemy. Between the acts of this dramatic program the school children sang patriotic songs, led the crowd in cheers, and performed a sword dance. Mass meetings are popular among the villagers.

A daily newspaper is published in every walled town of Central Hopei. The headquarters town has a four-page publication 9 by 15 inches in size in which the news consists of foreign events (received by radio from Hankow); war news from the guerillas, the Eighth Route Army, and the Central Government troops; economic plans for the villages, and patriotic songs, plays and stories. The papers are posted on the bulletin board of every village under guerilla control. About 30 per cent of the population is believed to be literate and village gossip soon spreads the news to the unlettered.

The educational system under guerilla control embraces over 900 village schools, mostly for children under 12 years of age. All school teachers have been given a special course in topics of national defense and the textbooks have been revised to emphasize anti-Japanese subjects. No tuition is charged in primary schools. The five-fold purpose of the school system according to the Central Hopei regulations is: (1) to develop a national spirit, (2) to culti-

vate military and political leadership, (3) to prepare technical experts, (4) to enlarge the fundamental revolutionary force, and (5) to raise the people's cultural level

Despite the fourth purpose (revolutionary force) there is not a word about Communism in the schoolbooks, newspapers magazines, posters, slogans, or speeches At public meetings the Kuomintang flag was always displayed with the Communist hammer-and sickle emblem, but I never heard Communism mentioned in mass propaganda Naturally the political leaders trained in the Anti Japanese Academy are familiar with the writings of Marx and Lenin and have not abandoned their hopes for a socialist republic in the distant future, but there is not the slightest evidence of immediate revolutionary plans

Since the emphasis of all propaganda is anti-Japanese, the scapegoat for China's troubles is no longer the landlord but the Chinese traitor (*han chien*), a phrase applied to any Chinese who works for a Japanese government, sells Japanese merchandise, smokes opium, or refuses to cooperate in the struggle against Japan The guerillas do not tolerate neutrality a man is either for or against them Even the Kuomintang representative who attended the Conference of Guerilla leaders at Fuping, Hopei, during January 10-15 1938, blamed the ten years of civil war upon the traitors "Because Chinese reactionaries and Japanese imperialists stirred up trouble between the Communists and the Kuomintang, fighting broke out ten years ago and ended only in December 1936"[2]

A very clever linking of the family system with the present war is another phase of propaganda One oration reprinted in the guerilla newspaper *Tze Wei Pao* (*Self-Defense Gazette*) contended in part "Our true purpose is to protect our country and our home The tombs of our ancestors and our homes and property have been desecrated by the Japanese, and it is for national salvation that we join the guerilla ranks"

A similar appeal to a family-minded peasantry is the theme of a cartoon in six scenes which has been printed at the guerilla head

[2] Mr Liu Tsun chi quoted in the *Report on the Fuping Conference* Central Hopei Headquarters January 1938

quarters and pasted on the walls of hundreds of villages. The artist shows a Japanese officer welcomed into a Chinese home, then making love to the daughter at the dinner table, next trying to rape her that night, then the parents rushing to her assistance and being shot dead, finally the officer satisfying his lust and killing the daughter. The posters make a tremendous appeal to a simple peasantry. They are taught to fight not for Communism but against a "wicked enemy" who is said to be slaughtering the villagers and endangering the ancestral altars

"The settlement of the agricultural land problem," writes T'ao Shang-hsing in his handbook for guerillas,[3] "is a fundamental element in achieving victory in this war Heretofore the Communist Party has advocated the seizure of land from the landlords and redistribution among peasants who have little or no land. This is the most direct method for dealing with the question, but because of the national crisis and cooperation with the Kuomintang, we have given up the old policy of seizing the land directly This does not mean, however, that the problem of agricultural land cannot be solved at this time"

The handbook then outlines a ten-point program for agricultural reform which specifies three ways to provide more land for the poor Firstly, the lands of all traitors should be confiscated and given to other peasants Secondly, all public lands should be turned over to the poor Thirdly, the lands belonging to landlords who have fled shall be redistributed by the Government and the new tenants exempted from rent, though the original landlord still retains legal ownership.

By invoking these provisions[4] in Central Hopei the guerilla leaders have been able to redistribute 15 per cent of the agricultural lands In other words, roughly 15 per cent of the land is now in the hands of peasants who are indebted to the guerillas for their hold-

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[3] T'ao Shang-hsing, *Fundamental Problems of Guerilla Warfare*, a small booklet written for the troops of the Eighth Route Army, reprinted by the Political Department of the Central Hopei Headquarters (March 3, 1938), and distributed to the Hopei guerillas It contains a complete summary of the guerilla program—military, political, economic, international

[4] *Regulations on Rent Reduction and Land Distribution*, Political Department, Central Hopei Headquarters, March 1938

ings The Hopei regulations contain one important exception to those listed in the guerilla handbook. in cases where an absentee landlord made a rent contract before leaving the district, his rent shall be turned over to the new Government and used for military purposes. Theoretically, the total rent will be repaid to the owner This system prevents flight of capital into cities controlled by the Japanese army and brings the guerillas considerable revenues.

The Hopei land reform is much milder than the sweeping changes effected by the Kiangsi Soviet in 1930, when roughly 60 per cent of the land was expropriated from the landlords, but the present guerilla program is supplemented by detailed restrictions on rent collection, such as (1) All rents shall be reduced uniformly by 25 per cent, except those of the families of anti-Japanese volunteers which shall be reduced by 50 per cent (2) Of rents collected by temples, 25 per cent shall be cancelled, 25 per cent shall go to the monks, and 50 per cent to the Government (3) If the rent on lands was collected in advance for the year 1938, the landlord shall repay 25 per cent to the tenant (4) In cases where the landlord and tenant formerly shared the crop equally, the landlord shall now receive three-eighths and the tenant five-eighths.

These are the most important items in a long list of rent restrictions which are intended to emasculate the power of the landlord Application of the rent reform is a slow process. I inquired in seven districts under guerilla control and found various degrees of Government rent inspection. Some officials had reduced rents by only 15 per cent Some were enforcing the regulations literally but admitted that the task of inspecting every village was extremely difficult If the regulations are properly publicized, the reform should be automatic because the landlord now has no courts to support his previous extortion and the guerilla Government prohibits the eviction of tenants.[5]

Alleviation of the heavy debts carried by about half the farming population is another appeal in the guerilla program. The conference of guerilla leaders at Fuping adopted a resolution that "Neither principle nor interest shall be repaid on old debts"[6] The

[4] *Report on the Fuping Conference* Financial resolutions No 2

[5] *Rent Reduction Regulations*, March 1938, Paragraph (9)

policy proved too drastic in view of subsequent efforts to win the support of the gentry, and the regulations were altered to provide for a three-year moratorium on debts during which the interest rate shall be 1 per cent annually. Any new loans contracted during the war shall bear interest at 10 per cent annually, compared to a previous average of 30 per cent Great difficulty will probably be encountered in the enforcement of these regulations.

The previous high tax rates have been slashed by the guerilla Government Each district government formerly contained a political machine staffed by hundreds of superfluous secretaries, inspectors, tax-collectors and other parasites. The whole structure has now been swept away and replaced by a handful of youths, many of them recent college students in Peiping Squeeze is punishable by death The maximum Government salary was set at Ch $18 a month (less than U.S $5 00 or £1) by the Fuping Conference, but in practice the highest officials receive only Ch $10

Not only has the tax personnel been changed but the entire basis of assessment has been revolutionized Whereas previously an *ad valorem* land tax and its surtaxes placed the principal burden upon the mass of poor peasants, the new sliding scale of assessments, working like an income tax, exempts more than a quarter of all the peasants from taxes, and imposes the principal burden on the rich. The Central Hopei regulations provide that each family receiving less than 10 *tan* (1330 pounds) of grain a year shall be exempt from taxes Families receiving from 10 to 30 *tan* will contribute 5 per cent to the Government granary The assessment rises progressively to 30 per cent for families receiving more than 110 *tan* a year The guerilla leaders call this requisition system "reasonable responsibility" (*ho li fu tan*)

Like all the other economic appeals the tax system has been varied in different districts. Some officials have based their collections upon the amount of land cultivated by a family but the principle of progressive burden is the same. Inspection is the greatest difficulty. I found the peasants eager to discuss the regulations wherever I travelled, which would seem to indicate that the farmers are familiar with their new rights. Every village contains a bulletin board on which the tax system is explained in detail and farmers

are invited to complain to the army headquarters if the grain collector demands more than the proper share.

Several other revenue measures have eased the burden on the farmer. A tariff wall has been erected around the guerilla territory and duties placed upon both exportable products and luxuries imported into the area. For example, the 1937 cotton crop which was being sold to the Japanese in the spring of 1938 paid a 40 per cent duty to the guerilla Government. When the entire crop is delivered to the railways, this should yield about Ch $4,000,000. The farmer adds his tariff duty to the price and collects the total from the Japanese. Similar duty is collected on exported beancake and other agricultural products. Among the import duties is a 60-per cent tax on cigarettes.

The elimination of banditry is another important economic appeal to the peasant, although it has required more work on the part of the guerillas than has the war against Japan. A few bandit gangs were "persuaded" to leave the area. Some were disarmed. A small fraction were incorporated into the guerilla organization. The process has been rendered difficult by the motto that "Chinese do not fight Chinese." It is still impossible to say that bandits have been eliminated, although conditions inside the guerilla territory are more peaceful than in the railway zones controlled by the Japanese.

A final and very important economic appeal is the aid given to all farmers who have suffered from the war. Refugees who come from villages burned by the Japanese are given free land and sufficient food to last them until the first harvest. More than 40,000 farmers had taken advantage of this offer up to May 1938. After the Japanese withdrawal from the town of Kaoyang in April 1938 the guerillas opened a relief camp for 2,200 people whose property had been completely destroyed. Guerilla cavalry horses were widely used for ploughing in the spring of 1938 because most of the draft animals had been carried off by the Japanese. I saw this ploughing wherever I went. One American missionary working in the hills about a hundred miles southwest of Peiping remarked that the guerillas in her area had organized more philanthropic enterprises in the past year than the Christian missions had developed in the

past decade The guerillas, however, are motivated by no sentiment of "love" but by the pressing need for an economic base to carry on their war against Japan.

Guerilla propaganda has never emphasized the economic program —land distribution, rent reduction, debt alleviation, tax revision, bandit suppression, and care of refugees—but the support which the guerillas are receiving from the rural populace is largely attributable to this "rice bowl" appeal

GRANTED that the guerilla bands in central Hopei have failed to paralyze the Japanese communication lines completely, what purpose can the mass movement serve?

Firstly, the Self-Defense Governments have defeated the Japanese theory of neo-Confucianism. By shattering the Chinese warlord armies within a few months and garrisoning a few of the railway towns, the Japanese Army Staff expected to create a political vacuum in which the "Special Service Mission" (political intelligence department) could organize a subservient Chinese regime that would bow to Japan's wishes No further fighting would be necessary, it was thought, because the Peking Provisional Government could win over the docile, ignorant peasants who have always been politically indifferent. That was the Japanese theory when the war began

Today about 30 per cent of the territory in the five northern provinces, nominally conquered by Japan, is organized into Anti-Japanese Self-Defense Governments under the leadership of Communists and the Peiping students Nine district magistrates appointed by the Provisional Government at Peiping have been killed by the guerillas, and the open season continues. Most of the surviving magistrates are living in the Japanese Concession at Tientsin. Japan's authority does not extend beyond the glitter of its bayonets, and any attempt to subjugate the territory between the railways will result in the burning of more villages, the slaughter of more peasants, and an increased hatred among the masses. The mass propaganda directed by the guerillas has therefore destroyed another hypothesis of the Japanese conquest—the political indifference of the Chinese masses—and has thereby forced upon Japan the dis-

agreeable dilemma of either ruling China with a mailed fist or withdrawing its armies completely The first alternative will entail an enormous garrison force, an endless series of small skirmishes and the possibility of Japanese bankruptcy. Withdrawal will mean the loss of international prestige and possible revolution at home since industry and labor will be seriously dislocated by the shift from heavy war industry to the light export trades. That is the dilemma which is tormenting the statesmen of Japan—to push forward or to draw back No compromise yet seems probable

A second significant aspect of the guerilla mass movement is its role in the Chinese Revolution The Communist agents frankly tell their visitors that they hope the present war will produce a democratic government in China, which will be only one step toward the ultimate goal of a socialist state—admittedly a distant hope Mao Tse tung is quoted as saying that Socialism will be unattainable in China for at least 50 years, even if the Japanese armies are driven out The first step toward revolution is, therefore, a democracy in which the Communist agents will have the right of free speech and free organization This goal was asserted by Mr Huang Chung, the Communist representative at the Fuping Conference when he stated "During the democratic phase of the revolution the Communist policy will be identical to that of Dr Sun Yat sen in his *San Min Chu I* (*Three People's Principles*) The Communist Party is determined to support the formation of a democratic republic and to execute the duties laid upon it by this new political power "[7]

The most obvious phase of this struggle for democracy is the political jugglery in Hankow where Chiang Kai-shek is dexterously counterbalancing the old Kuomintang bureaucrats against the newer representatives of the Communist Party and the National Socialist Party (the latter a new faction which emerged in April 1938). No decisive results have yet emerged from the struggle for party power.

The bid for democratic power is equally conspicuous and consciously urged in the mass movement under the democratic leadership of Communists and Nationalists Every farmer is taught to

[7] *Report on the Fuping Conference*, January 1938

believe that he controls not only his own fields but also his government and his army. A ten-year-old boy armed with a wooden sword can stop a whole regiment of guerillas and demand to see their passports before they are allowed to pass through the village. I have travelled in the commander-in-chief's motorcar flying the official guerilla flag but the village sentries were equally insistent.

The guerillas have not the privileges that were once accorded to the Red Army in Kiangsi. According to Red wall posters copied by an English scholar who visited Kiangsi in 1934,[*] the soldiers of the Red Army then received free houses, free land, free boat rides, free postal service, free burial, tax exemptions, and retirement pensions at the age of 45. The Red Army was placed on a pedestal. Today all propaganda emphasizes the privileges of the masses. The guerillas must eat poorer food than the peasant, wear cheaper clothing, and render assistance to the farmer whenever possible. The common peasant is the new hero.

Another democratic lesson is the system of "black letters," the privilege of sending unsigned complaints to the guerilla chief concerning any injustice committed by guerilla troops or by local civilians. The Political Department of the army immediately dispatches an investigator. A large number of attempted extortions by the gentry have been exposed in this way.

The political agents directing the Self-Defense Governments are under no delusions about the length of time required to build a democracy. They cite, to an American, the aristocratic nature of the United States during the first three or four decades of independence. China, they say, must also pass through a period of limited electorate, though the principle that the masses control the government must be inherent, in theory, from the start.

The question has been raised by independent observers: Is the Communist Party organizing Self-Defense Governments behind the Japanese lines to be used as a bargaining lever against the Kuomintang if Japan is forced to withdraw its troops? The query is reasonable, but every political program thus far undertaken by the Communist Party has been sanctioned by General Chiang Kai-shek through an official mandate from the Hankow Government.

[*] An unpublished MS belonging to Mr. George Taylor.

The Communist plans have all been submitted to the Hankow authorities and their activities are open to constant inspection by Kuomintang representatives.

Nevertheless the class struggle and the future revolution are still visible below the surface. One writer in the *Red Star*, official semi-monthly magazine of the Hopei Guerillas, expresses the opinion: "During this war the class difference still exists. The capitalists are facing two enemies and must choose between the Communists or the Japanese. Hence if we do not wish to drive them into the arms of the Japanese, we must be considerate so that they will co-operate with us against Japan. This does not mean that we are going to abandon the class struggle, but rather that we must now concentrate our forces against the common enemy."[9]

Despite this continued vision of a future Chinese Soviet, the qualities of leadership at the Central Hopei headquarters would seem to indicate that the Communists will not fight any more [illegible] wars, even though a section of the Kuomintang should stage a second counterrevolution. This Red leadership is characterized by a bulldog tenacity toward the ultimate goal, a flexibility of method, an attitude of self-criticism toward all present work, a willingness to experiment, and a complete absence (so far as I could see) of personal ambition. The same qualities have marked every great movement in history which has survived decades of adversity to reach the pinnacles of power.

North China, May [illegible]

[9] Mr. Chen Hsing, "The United Front in Central Hopei," in *Hung Hsing* (Red Star), Vol. I, No. 1, March 8, 1938.

TO HAVE AND TO HOLD

"A British Observer"

The complete political failure of Japan's attempted conquest in China must be attributed to many causes. It is clear that the objective facts of the situation are against Japan, that the obvious attempt to secure complete control of China, the destruction of life and property, the enormous losses to Chinese trade and industry, incidental to the method of conquest, are difficult handicaps to overcome. It is also clear that Japan completely misjudged the development of national feeling in China and grossly overestimated the political importance of purely conservative and anti-Kuomintang feeling It was thought that large groups of influential Chinese, while not accepting the invader with a genial glow of goodwill, would at least prefer office under Japanese influence to no office under the Kuomintang This assumption proved to be false; but these facts alone do not explain why Japan, for every battle it has won on the military front, has lost two on the political

There are two main reasons for Japan's political failure. One is that the material basis for propaganda, that is, physical and intellectual communications, is uneven in development, and, taken as a whole, insufficiently advanced. It is the contrast between the comparatively well-developed intellectual and physical communications of the railway zones and the undeveloped communications of the hinterland, which explains the method of conquest and constitutes the chief problem of propaganda In the hinterland where military conquest is difficult, propaganda is almost impossible, yet to subdue these vast areas by force, which is possible theoretically, is to make the problem of government and administration practically insoluble. In such a situation there is no choice between dominating the country at the point of the bayonet and leaving it to be ruled by the Chinese. The other reason is that the Japanese have set themselves a political problem of enormous dimensions. This problem assumed its present shape on January 16, 1938, when they decided that they would have no more deal-

ings with the legitimate Government of China. To chastise the Kuomintang is one thing, to eliminate it is another. If the Government of China no longer exists then something must be set up in its place, in other words a new government based on a new political theory must be invented, for without this military victories are meaningless. It is by the solution of this, a purely political problem, that the Japanese conquest will stand or fall.

From the Japanese point of view there are three major problems arising out of the specific character of Chinese communications. There are those communications involved in shutting off China from the rest of the world, in creating a "news vacuum" and in regulating all news which is sent out. Secondly, there are the communications of the occupied zones, which are connected with the problem of political pacification and of securing effective control for the conduct of the war. Thirdly, there are the communications which connect the big cities and the railways with the hinterland and those of the hinterland itself. This last presents the greatest difficulties of all.

In order to isolate the conquered territory from the rest of the world the Japanese, within a few weeks of military occupation turned the whole of North and Central China into a controlled area in which it is almost impossible to publish or obtain reliable information or send news to the outside world. Practically the whole of the Chinese system of telecommunications has been either seized or destroyed. The Chinese press has changed its character completely and such papers as remain in North China publish only what they are told. There is strict control of the Chinese Post Office and rigorous censorship, especially of outward-bound mail. Telegrams and radiograms, including those of news agencies, are also censored. There is, however, one serious leak—through the foreign legations in Peking and the foreign concessions in Shanghai although even there the question of censorship is by no means permanently settled. Foreign correspondents can send uncensored material through their embassy radios, but as it is possible to trace news back to its origin it is wise to use some discretion even with this opportunity. The leak has been very important however in preventing occupied China from being as complete a news

vacuum as Manchuria. How long it will be effective depends upon the morale of the foreign correspondents, for the Japanese make every effort to break it down by constant threats, occasional imprisonments, tapping of telephones and refusal to grant permission to visit many places of importance The bombing of foreign newspaper offices in Shanghai is part of the same policy of preventing the free publication of news coming from abroad or of Chinese news for foreign consumption On the other hand it has not been necessary to ban all publications from the mails, as their arrival has been slowed down to such an extent by poor communications and censorship that the news value of periodical literature from other places has almost disappeared Shanghai, for example, is more than a week from Tientsin More important, as a positive measure to control the international traffic in news, is the battle between the news agencies Domei, the official Japanese news agency, is aiming to eliminate all other news services, especially Reuters (British). Formed by the amalgamation of Nippon Dempo and Rengo in 1937, just before the outbreak of hostilities, Domei has enlarged its Japanese, Chinese and English news services and has by now probably the most extensive network of correspondents in China But the gap in the control cannot be closed, and so long as embassies and foreign correspondents remain the world will know what Japan is doing in China

The material basis for propaganda in the narrow strips of railway and the garrisoned cities is comparatively well developed. The press, especially if wall-newspapers are used, reaches a considerable proportion of the population and can be used for propaganda. Hence the press laws distributed for editors and managers of news agencies, who are held responsible for keeping them secret These indicate in great detail what may or may not be published and in what terms the Chinese national troops, the Nanking Government, "Manchukuo" and Japanese army units and so on may be quoted There were few Chinese papers of any standing or technical efficiency before the conflict and in any case those that were financially sound left for the south. But under Japanese control the Chinese press which remains is sufficient for the needs of the population, and the natural tendency for a foreign-dominated press

to decline in circulation is checked by compelling all shopkeepers even peddlers, to subscribe. Education, like the press, was concentrated in the cities and near the sea ports. At one blow, by seizing the north as far as Taiyuanfu and the Yangtze valley as far as Nanking, Japan put out of action at least 75 per cent of China's universities. It is true that students and professors fled, but here at least Japan has the material basis for rebuilding higher education. Similarly with the middle schools. All the best were in towns and on the railways, and as the students could not get away they are already under Japanese control, using new textbooks and learning the Japanese language. The film, which was already becoming a valuable instrument of propaganda in China, was almost entirely limited to the towns and has therefore fallen into Japanese hands.

There is a contrast between the cities and railway zones and the hinterland, where physical and intellectual communications can be summed up as a whole as walking and talking. Hence the importance of the theater, but not of the press. It must be remembered that the circulations of Chinese newspapers are very modest. The *Ta Kung Pao*, the "*Manchester Guardian*" of China, did not boast of more than 50,000 copies in Tientsin and 10,000 in Shanghai. Secondly, over 95 per cent of the Chinese people live outside the big cities, yet among the rural population only one person in 800 or 1,000 received a copy of a daily newspaper. The press is not, therefore, a significant instrument for rural propaganda. The important condition which emerges from this is that the high proportion of illiteracy in the country as compared with the towns coupled with the monopoly of outside news by the few, gives to the local gentry an added importance. They are an articulate link with the peasantry, a link which the Japanese have not, so far been able to exploit. The film does not count in the countryside. The theater does count, and it is already being used to good purpose by the Communists. But the theater, the mails and the radio all of which are vital links in the chain of intellectual communications with the hinterland, cannot be effectively controlled from the big cities on the railways. To control Peiping is not to control Hopei. The postal service, radio communications and the theater

continue without any connection at all with the narrow tubes of Japanese-conquered territory. The same with education, such as it is. None of these things can become Japanese instruments of propaganda until the areas are under permanent garrisons. Nor are physical communications any better. Hopei, a province of some 1-3,052 sq. km. in area, has less than 4,000 miles of motor road, of which less than 50 miles are paved. This lack of communications has led the Japanese, as far as they have time to deal with the guerillas, to rely on the punitive burning of villages.

Serious consequences arise from the material basis of Chinese physical and intellectual communications. Military conquest follows the railways and leaves large areas untouched; it is as if the waters of the Yangtze had been pushed back into enormous pools on either side of the original bed. Propaganda is valueless to the Japanese in the hinterland, where communications are available to them only at the point of the bayonet. What is more, this pattern of conquest allows time for the development of centers of counterpropaganda and military organization in the pools of unconquered territory, and the growth of peasant nationalism. It is, perhaps, possible for Japan to take every railway line and every big city in China; it might even be possible to subdue, eventually, the hinterland between them. But the pattern of conquest and communications, it is clear, is such that there is no solution short of complete military conquest, and such conquest would take not only money and men in quantities sufficient to tax Japanese resources to the utmost, but also a generous allowance of time, a gift which the international situation is not likely to grant. These conditions help to define the political problem facing the Japanese. The scope of the matter, however, was determined not only by these considerations, but also by the decision that Japan would no longer deal with the Chinese National Government. Out of this apparently simple declaration there arose a problem of politics and propaganda of enormous dimensions. Japan committed itself to nothing less than the creation of a new political theory, a new political party, and a new bureaucracy. Its program is, firstly, the establishment of new regimes in Nanking and Peiping; secondly,

the formulation of a New People's Principle, the Hsin Min Chu I, to take the place of the Three Principles of the People, or San Min Chu I, thirdly, the organization of a Hsin Min Huei, or New People's Society to replace the Kuomintang; and lastly, the setting up of a Hsin Min school for the training of new bureaucrats.

The Hsin Min Huei and the Hsin Min Chu I might be summed up as an attempt to limit China's ideas to those of the 5th century B C while exploiting the country with the methods of the 20th century A D The principle of Hsin Min serves to establish the legitimacy of the new government and replace the San Min Chu I It is expected to appeal to the reactionary elements in China and to all who have any quarrel with the Kuomintang In particular, it is aimed to secure the allegiance of the gentry and the peasantry by the revival of Confucianism, the old ideological basis for social stability Legitimacy of the new regime is implicit in the principle of Hsin Min, according to which all things like to live but have varying powers of resistance The good are strong and the weak are bad. Heaven allows the good to grow and the weak to die When men fight it is those who follow the Kingly Way, "Wang Tao," against those who do not What is this Kingly Way? It includes getting rid of selfishness, making sure of right knowledge and avoiding Marxism, achieving sincerity, regulating the heart and being correct in the important relations such as those between husband and wife, parents and children Those who do not understand these things follow the class war The principle of legitimacy having been established, the rest of the Hsin Min Chu I may be taken as the political theory which is to replace the San Min Chu I All the Three People's Principles are dismissed. Nationalism is merely an outcome of pride and ostentation; it is wrong to be influenced by nationalist feeling because all men are brothers Besides, the meaning of Wang Tao is that those countries with Tao Te (Virtue) can receive the largest territory; therefore, distinctions of race do not matter Democracy, the second of Dr. Sun's principles, is equally mistaken, for, it is pointed out, democratic institutions are impossible in China, where the population is too big and the communications too bad to permit a national assembly to be organized If English methods were followed they would need

seven or eight thousand representatives and legislation would be impossible; therefore government by Wang Tao is the only practicable way of expressing the general will. The Kuomintang is thus criticized not only for being drunk with democracy but also for not applying it.

The famous principle of livelihood is the most severely criticized, because it is sheer Communism, the Kuomintang did not nourish, it exploited the people and used their money for the Government and the army Civil war increased unemployment which fed the flames of revolution and the anti-foreign movement. The only way to secure the livelihood of the people is to develop the resources of China with Chinese man power and Japanese capital and technique What is more, the Hsin Min Chu I will do away with the capitalistic monopoly of distribution and also with state monopoly. It will make machines fit men, not men fit machines Industrialism creates big cities, with all their evils; the Hsin Min Chu I will therefore base itself upon the villages, to which machinery will be sent, for it is the course of wisdom to use the good things from the West. But first in importance will come the profit of the people, not of the capitalist. At least, according to the Hsin Min Chu I

The chief point of attack on the Kuomintang, apart from the Three People's Principles, is that it worshipped the West, was friendly with England and America, and at the same time came to terms with Communism It is clear that the spread of Western ideas in China was a challenge to the social structure of Japan as serious almost as that of Communism For example, the Hsin Min Chu I is at pains to stress the idea that equality between men and women is opposed to the will of Heaven, hence the foolishness of the three Sung sisters ruling China. You may love women, but it is not necessary to listen to them; equality destroys the family. Chiang Kai-shek, it is insisted, stole authority and destroyed oriental culture; he formed an alliance with the Communists, whose purpose is to destroy the East. A Chinese member of the Hsin Min Huei explained the new principle to primary school teachers in the following words.

Western methods of progress are not natural, as are oriental. The West uses scientific methods to correct and control natural development. This is the method of conflict. The Kuomintang adopted this and destroyed the old family and the old religion. The Japanese are shedding their blood in order to help restore Chinese civilization, which was dying because the revolution destroyed Confucianism. China did not have the strength to resist the West one hundred years ago because men had forgotten Confucius and the Great Way. Schoolmasters must change the thinking of the students, tell them that the coming of Japan means the regeneration of China. If the two countries cooperate, the Yellow race will assume a big position in the world. China must not forget the five relations and the three bonds. Hu Shih wanted to change to Western methods. Wu Chih-hui said that Chinese methods of making books should be put into the lavatory, and Ku Chieh-kang said that Chinese history is all bad. Because China did not like its own culture Marxism came in. Marx is entirely wrong and in fundamental conflict with oriental culture. Psychology says that if you teach children the right way they will follow it. The Hsin Min Hui exists to correct people's thoughts and put them in the right way. Teachers have a great responsibility, for if we do not change the children we cannot attain our object and build up China into a strong State.

The Japanese Vice-President of the Intelligence Department of the Hsin Min Society, speaking on the differences between the spirit of the Hsin Min Chu I and that of the class conflict, pointed out how Japan started its nation with womanly qualities and had, therefore, the power to create.

All Japanese have this quality of being able to give birth, this is how Japan differs from other countries and why it has never had a revolution. Therefore it has no class conflict. The West has the masculine spirit, not the womanly, the masculine spirit is to use force, not creative power. Western states are man made, not created by Heaven. They will decay. The Kuomintang copied the Western methods of progress by revolution and bloodshed. Japan has always used Virtue and Benevolence to rule the country. Germany has a National Socialist Party and the members wear a swastika; Germany is a country founded on culture. The circle around the swastika indicates progress as a wheel progresses.

When the Japanese army leaders say that they are coming to save China, to preserve the ancient culture, they do not have their tongues

in their cheeks, they mean it, because to them it is a matter of life or death.

THE INSTRUMENT used to spread these ideas is the Hsin Min Huei, or New People's Society Its organization is impressive, its membership negligible (although certain groups are compelled to join), and its real purposes more than obvious In general the Hsin Min Huei exists to support the new government in Peking and provide it with a platform As an instrument for the political intimidation of those who have any will to resist and a rallying point for government supporters it is well designed. The immediate organization of a school for the training of officials in the principles of Hsin Min Huei shows an understanding of one of the chief problems to be solved, but the addition of 40 (to date) half-hearted Chinese traitors to the Japanese forces is no more impressive than the results of the appeal to all Chinese who have been educated in Japan to apply for positions The T'o Tang Yun Tung, or Abandoning the Kuomintang Movement of March last, showed a sound political instinct; nor was the occasion marred by threats of reprisals against known members of the Kuomintang who did not seize this opportunity publicly to celebrate their change of heart. A long-term policy which the officials of the new society are expected to carry out is the control of thought and, in particular, of education Japanese is already the second language of the middle schools, new textbooks have already been provided and the hour which was formerly given to the San Min Chu I is now devoted to the Hsin Min Chu I Middle-school students recently sent delegates to a Hsin Min Huei meeting called expressly to sweep away dangerous thoughts. In an area with good communications and under complete military control the Hsin Min Huei will be a powerful political weapon, but not a popular movement.

The revival of Confucianism, one of the first of the avowed aims of the Hsin Min Huei, is the only hope the Japanese have of creating a popular movement in their favor. It is a thin hope. To compel Western-trained Chinese to go through the genuflections of the old Confucian ceremony does nothing to improve that hope. This sort of thing has been dead in China for more than a generation. Nor

is there much prospect of recommending to the peasantry the Kingly Way, based on the rules of Mencius, Confucius, Yao, Shun and Chou Kung (according to its propagators), when the chief contact between the Japanese and the peasantry is the burning of villages and the raping of women A return to the old ways does not necessarily enlist the support of elements politically disaffected or merely averse to the new styles in marriage, the changes in the family system or democratic ideas, when the return is advocated by the invader Those tempted by this may not, furthermore, be encouraged by other declared aims of the Hsin Min Huei, such as "economic cooperation" in the development of China's resources when the question of who is to get the profit is not mentioned The invitation to cooperate against Communism does not impress a people who had no cause to fear it, while "mutual planning for Sino Japanese peace" must seem an odd appeal even to the most anti-Kuomintang Chinese in the occupied zones. The last appeal that by putting together China's resources and Japan's armies it will be possible not only to oppose the U S S R but also to become a great power in the world and avoid being a colony of the western powers, is interesting for the light it throws on Japanese thinking but is not, at the moment, an appeal which is likely to bring the Chinese masses to the flag of the Rising Sun

The Japanese leaders do not, to do them justice, expect to secure a mass support They intend, apparently, to use the Hsin Min Huei as a political instrument with which to control thought, intimidate opposition and control their new bureaucracy It may even be useful as a secret service Some Japanese do hope, however, that the gentry in the villages will be attracted by the Hsin Min Chu I and be persuaded to join the Hsin Min Huei and so help in solving the problem of the hinterland This hope is being shattered by the method of conquest and the spread of counterpropaganda in the hinterland, not only under the leadership of the Communists, who carry on their work under the express order of Chiang Kai-shek but also under the National Government itself Under these conditions the gentry are useless to the Japanese, for if they openly sympathize with them, they have to escape to towns under Japanese garrisons, their property is confiscated as that of traitors and they

cannot return to their villages except in the wake of a conquering army. The alternative for them is to take part in the leadership of the guerilla forces, to make heavy but fixed contributions to their support and to be respected members of their own people. The Communists are not fighting a class war. The enemy is not the landlord but the traitor; most of the gentry therefore have stayed with them. Some idea of the problem before the Japanese may be gathered from the fact that at a recent meeting, called by them, of the Hsien magistrates of Hopei province, which includes a little more than a hundred Hsien, there were ten magistrates, of whom two only had seen the districts they were supposed to govern. As a political device to meet this problem the Hsin Min Huei is valueless.

The Japanese have met their political problems in the only way they know—by military conquest followed by political intimidation, control of thought and bureaucratic government uncontrolled by public opinion. They have yet to learn that the gap between propaganda and action must not be too great if the propaganda is to have any effect at all. To preach Wang Tao and practice Pa Tao (military force) is to court failure. The pattern of communications prepared for them a trap into which they fell, militarists, bureaucrats and all. The contrast between the communications of the railway zones and the hinterland led the generals to commit themselves to a war of conquest on the model of Jenghis Khan, it led the bureaucrats to practice their arts in the occupied zones and leave the hinterland to take care of itself. Not for the Japanese the quick seizure of power, the immediate services of a powerful pro-Japanese party, the complete control of political and economic life through the military domination of a complex system of interdependent communications, the unanimous plebiscite and the marching legions of overdrilled youths. Rather, long-drawn-out struggle and a war of attrition in which victory will be measured, for them, in terms of the chaos they produce. It was their task to produce a political propaganda which would fit both the occupied zones, already under their own military, and the hinterland, which had not yet seen the invader. They were frustrated not only by the nature of communications but also by their own political stupidity. They do not

know how to appeal to a people out of reach of their guns. In fact they have a genius for adding insult to injury, as when they compelled students to celebrate the fall of Nanking As it is, the tales of their atrocities have time to gather strength and sweep before their line of march like the howling dust storms of the northern plains In the vast areas bounded by the Peiping-Suiyuan and Peiping-Pukow railways and the Yellow River, they have given the Chinese time to organize the peasantry, what is more, their methods of conquest are providing at last the cement which is producing a peasant nationalism, the pressure of which is already being felt along the vast stretches of occupied railway zones.

North China, May 19[illegible]

WHY THE CHINESE COMMUNISTS SUPPORT THE UNITED FRONT

An Interview with Lo Fu

NYM WALES

Lo Fu is the Secretary of the Central Committee of the Chinese Communist Party. He is considered to be one of its best Marxist theorists. He is the only important Communist leader to have studied in America—where he attended the University of California in 1921 and worked on a newspaper in San Francisco. He wrote the text-book on the history of the Chinese Revolution which is used in the Communist schools and has made a special study of this subject. Therefore, his analysis of the revolutionary stages in modern Chinese history is of special value, for it explains the guiding principle by which the Chinese Communists have been and will be directed during their long tumultuous struggle.

I met Lo Fu and interviewed him during a trip to Yenan, the ex-Soviet capital in North Shensi, on July 14, 1937, just after the Lukouchiao Incident.

*In reply to my request for the Communist analysis of the historical stages of the Chinese Revolution, Lo Fu commented as follows.**

THE prelude to the Chinese bourgeois-democratic revolution was the Reform Movement of 1898, but the revolutionary movement did not begin until 1911. During what we call the 'Great Revolution' from 1925 to 1927, the proletariat took the leadership of this bourgeois revolution.

"The T'aip'ing Rebellion in the middle of the nineteenth century, which preceded the bourgeois revolution, was a peasant uprising, but was different from the agrarian rebellions of the past because it

*In the following text a few slight changes have been made, and owing to lack of space a number of questions and answers following the main interview have been omitted. As it has proved impossible to consult Miss Wales, who is in Shanghai, the responsibility for these changes rests entirely on us.—EDITOR

was the result of imperialist aggression in China. It broke out just after the Sino-British Treaty of Nanking in 1842 and during the negotiations between China, France and Great Britain in Tientsin This Rebellion failed because it was fundamentally a peasant movement and there was neither an industrial bourgeois nor a proletarian class in China at that time to give it leadership Such a peasant revolt can succeed only under two conditions (a) under the leadership of a bourgeoisie as in France, or (b) under the leadership of the proletariat as in the U S S R

"When the T'aip'ing Rebellion failed, imperialist aggression in China was very successful and caused a great change in Chinese society, especially after the Sino-Japanese War of 1894-95 The intelligentsia began to realize the danger of national subjugation This consciousness was reflected in the 1898 program of the Emperor Kuang Hsu, which was an attempt to save the fate of the nation by reform from the top down to the bottom This was the first expression of the realization by the bourgeois intellectuals of the need for reform, but they did not recognize the potentialities of the force of the masses and had no mass support—so their Reform lasted only 100 days The situation was comparable with that in Russia in 1812 under the Decembrists The demands of the bourgeoisie were just beginning to be reflected in the upper strata of the bourgeois intelligentsia This 1898 Reform was only a reflection of capitalist ideas among the ruling class K'ang Yu-wei and Liang Ch'i-ch'ao were both bureaucrats and semi-feudal in their ideas

"At the time of this political change in 1898 Dr Sun Yat-sen also began his political activity. He did not participate in the movement then, but in a letter to K'ang expressed his political views

"Not long after the Reform Movement, another peasant uprising occurred—the Boxer Rebellion. This opposed imperialist aggression but it also remained a peasant movement because it had no bourgeois leadership and was utilized by the reactionary Empress Dowager, therefore it failed.

"After this time the true imperialist penetration into China began with the investing of foreign capital in railways. The previous relation of imperialism to China had been one of market and commodity Now the period of capital export to China started

I. *The First Stage of the Chinese Revolution*

IN THE meantime the native Chinese bourgeoisie was gradually developing and the party representing their interests was organized—the T'ung Meng Hui. The Manchu regime was weak and degenerate, and the bourgeoisie led a united movement against the monarchy The T'ung Meng Hui united all the elements in its own bourgeois class with the landlords and officials, and this opposition to the Manchus resulted in the 1911 Revolution

"The nature of the 1911 Revolution was bourgeois, but it failed because the bourgeoisie had formed a united front not only with classes which opposed the monarchy and the Manchus, but also with feudal forces such as Yuan Shih-k'ai It first compromised with the feudal forces, and second, because it expected help from the imperialists to overthrow the Manchus, compromised also with imperialism. Therefore, after successfully overthrowing the Manchus, the revolution took no further steps toward destroying the feudal forces, nor did it develop into anti-imperialism It was too weak, and was soon subjugated by the feudal-imperialist forces None of its fundamental problems was solved, so Sun Yat-sen was obliged to retire from the presidency of the so-called Republic and Yuan Shih-k'ai, the leader of the reactionary elements, was substituted for him Yuan represented feudalism and was the subject of imperialism, also, so after he became president he was supported by foreign loans and enabled to repress the revolutionary struggle in the south by force

"The weakness and compromising subjugationist nature of the bourgeoisie of China was clearly shown in this 1911 Revolution—quite unlike the strength of the bourgeoisie of France in the French Revolution, which guarded its own interests.

"Shortly after 1911 the imperialist World War began in 1914, and the general imperialist pressure on China was relaxed, except for that of the Japanese, which increased. Because of the negligence of the imperialist powers in the East during the World War, the real Chinese national-bourgeoisie was able to have a comparatively rapid development. This was the golden age of the bourgeoisie of China

"Because of the strong development of capitalism in China during the World War, the bourgeois May Fourth Movement was possible in 1919. This anti-feudal, anti-imperialist movement was led by bourgeois intellectuals. The leadership, however, failed to recognize the *real* feudal forces and the *real* imperialist forces, and its two slogans were only against Confucianism on the one hand and Japan on the other. It attacked only the agents of Japanese imperialism represented by the Anfu Clique, such as Tsao Ju-lin, Lu Tsung-yu and Chang Tsung-hsiang, and only barely started the struggle against feudalism. Therefore, after the few outstanding Japanese agents were driven out, the movement stopped before realizing the central revolutionary tasks of anti-imperialism and anti-feudalism.

"However, during the May Fourth Movement the new proletarian class also developed, and its political party was organized when the Communist Party was formed in 1921, the first National Delegates Conference being held in July. The P'inghan Railway Incident of February 7, 1923, marks the first big step forward of the Chinese proletariat in struggling for leadership with the bourgeoisie. From then on the proletariat had its role on the political stage of China. Ch'en Tu-hsiu, who had been the leader of the May Fourth Movement, was a Leftist bourgeois-intellectual fighting for Democracy and Science. Communist theories had no influence in this May Fourth Movement, though Ch'en Tu-hsiu soon afterward became the leader in organizing the Communist Party. The study of Communism and the Russian Revolution in China began only after May Fourth.

"In order to achieve its liberation, the Chinese proletariat—and its Communist Party—realized that it could not depend upon its own power alone for success, but must unite with other forces in order to overthrow imperialism and feudalism—that it must join the national revolution. Therefore, in 1923 the Communist Party proposed to Sun Yat-sen that a united front be formed against the imperialist and feudal forces.

"Sun Yat-sen said truly enough that he had struggled for revolution 'forty years'—though it was actually only 39, incidentally. But during all those years he somehow never found the central

revolutionary tasks of his revolution. He at different times united with this militarist, or with that imperialist, and then exchanged these alliances for new ones. Only under the leadership of the Communist Party did he begin to understand the nature of the Chinese Revolution.

"Sun accepted the proposal for a united front and on January 30, 1924, called the First Kuomintang National Congress to reorganize his party in accordance with his new understanding of the tasks of the revolution Thus began the period of cooperation between the Communist Party and the Kuomintang.

"Under this united front the Chinese Revolution advanced by leaps and bounds, as in the May Thirtieth Movement, the establishment of revolutionary sovereignty in Canton, and the organization of the National Revolutionary Army. In 1926, the revolutionary army started the Northern Expedition and scored immediate victories. Within six months it had reached the area south of the Yangtze River. This was the high tide of revolutionary victory.

"In the meanwhile, the struggle between the proletariat and the bourgeoisie for leadership in the revolution had become very serious. The *real* leadership was in the hands of the proletariat, and the Chinese bourgeoisie utilized every method to try to win this away from it During the Northern Expedition the bourgeoisie became alarmed at the fast development of the mass movement and the strengthening of the leadership of the proletarian party. This was the first reason for their betrayal of the revolution. The second reason was that the imperialist powers utilized their influence and money to threaten, bribe and induce the bourgeoisie to betray the united front For instance, when the National Revolutionary Army entered Nanking, the imperialist gunboats bombarded it because they were terrified of the advance of the revolution The third reason for the betrayal is that when Chiang Kai-shek reached Shanghai, the city was in the hands of the armed proletariat following the third uprising there. Shanghai was the center of the national-bourgeoisie, and they were frightened and felt uneasy, so demanded that Chiang Kai-shek disarm the armed forces of the proletariat. This resulted in the April Twelfth Incident in 1927, after which the bourgeoisie withdrew from the united front, betrayed the revo-

lution and began their big slaughter, though only a few hundred were killed on April 12, and not many were killed until after the Canton Commune.

"This marks the end of the first stage of the Chinese Revolution

"After the national-bourgeoisie ran away from the united front, the remaining forces in this front—the proletariat, the petty-bourgeoisie and peasants—joined together, forming an alliance under the Wuhan Government But soon the upper leaders of the petty-bourgeoisie, such as Wang Ching-wei, followed the lead of the bourgeoisie and also betrayed the revolution.

"In July 1927, the Communist Party and the Kuomintang finally split

"Under these successive betrayals the Chinese Revolution suffered a serious setback and great losses The betrayal of the Wuhan leaders concluded the 1925-27 Great Revolution

"Although the remaining revolutionary forces—the soldiers, workers and peasants—suffered losses because of these betrayals, they attempted to recover the revolutionary situation This effort was expressed in the Nanchang Uprising of the soldiers and in other uprisings which followed after that The Canton Commune was the last battle in the retreat of the Revolution, and concludes this revolutionary stage After the Canton Commune, the Chinese Revolution was at its ebb, and China fell into a period of Reaction

"This reign of Reaction continued for two years, from 1928 to 1930 During this time many civil wars broke out, such as Chiang Kai-shek's fighting with Kuangtung and Kuangsi and the North In the period of Reaction, none of the national problems was solved All of the problems which created the Great Revolution of 1925-27 remained and the livelihood of the people became even worse, at the same time that the influence of the imperialists became greater Therefore in 1930 the new revolutionary tide began

"To put it briefly, during this time the Nanking power was made up of an alliance of the landlords and bourgeoisie. This already differed from the governments preceding the Great Revolution because *the bourgeoisie now participated* in the government But it was a reactionary government, and opposed any kind of revolutionary movement of the workers, peasants and petty-bour

geoisie. This government also opposed any kind of revolution, including the bourgeois-democratic movement itself, but still talked in revolutionary phrases In suppressing the revolution the two classes were united and on the same line, but there still remained within this unity the conflict between landlordism and the bourgeoisie. Even between the bourgeoisie and the imperialists there was also a conflict The Chinese bourgeoisie was subjugated to imperialism, but still in conflict with it

"The bourgeoisie hoped to use the method of peaceful compromise to relieve themselves from feudal and imperialist pressure, but this method only put them under the subjugation of the feudal and imperialist forces This is why the bourgeoisie still had so many slogans, such as 'Recover Customs Autonomy,' and 'Reform the Unequal Treaties' They actually did make a declaration modifying the Unequal Treaties and formally abolishing extraterritoriality. But, of course, with these national reformist slogans and the method of peaceful compromise they could not possibly solve their problems

"In China the bourgeoisie has only two alternatives: (1) to cooperate with the proletariat and the peasantry to fight for revolution, or (2) to be subjugated to the forces of imperialism and feudalism Since it did not cooperate with the peasants and proletariat, it had to be subjugated—so all its slogans and peaceful solutions achieved nothing.

"It was because of their failure during this period to solve any of the revolutionary problems that the livelihood of the people became worse, the condition of imperialist pressure worse, and the militarist wars worse Therefore in 1930 a new rise in the revolutionary movement began.

"At this time the Li Li-san line of the Communist Party began, in June 1930 Li Li-san estimated this new revolutionary rise as a high tide of revolution, and, based on this erroneous estimation, under his line the Party had uprisings everywhere, and ordered the Red Army to capture the central cities, such as Wuhan and Changsha All these attempts failed with great losses, and the Li Li-san line ended after six months, at the end of 1930.

"After the correction of the Li Li-san line the Soviet revolution developed greatly.

II *The Soviet Stage of the Revolution*

During 1928 and 1929 many uprisings followed after the Canton Commune The nature of these uprisings was self-defensive on the part of the proletarian and peasant forces in order to protect their own interests Partisan groups developed everywhere, originating partisan warfare

"The Soviet slogan was decided upon by the Communist Party only after the reaction and betrayal by the bourgeoisie. The purpose of forming Soviets was to continue the national-bourgeois revolution after its betrayal by the national-bourgeoisie, because its tasks still remained and none of Sun Yat-sen's Three Principles had been realized The original revolutionary united front had had four elements the bourgeoisie, petty-bourgeoisie, peasants and workers Now the bourgeoisie and upper petty-bourgeoisie betrayed it, so only the peasants and workers remained to carry out the tasks of the revolution These tasks remained the same as under the Kuomintang, but in the new stage were carried out by the Soviets of peasants and workers, together with the city poor and some petty bourgeois elements--of course, the peasants are part of the petty bourgeois class The bourgeoisie would not join the Soviets because this class was then counterrevolutionary.

"The Communist Party decided upon the Soviet slogan at the Congress held just after the Nanchang Uprising in 1927, and used it first in Hailofeng, Kuangtung, in the last months of 1927

"The adoption of the Soviet slogan in China meant opening the struggle for the seizure of power and the overthrow of the Kuomintang This Soviet program obtained until after the Sian Incident of December 12, 1936, but it does not obtain now. The Soviet form still existed after the Sian Incident but not for the purpose of overthrowing the Kuomintang and seizing power—it continued only pending the completion of negotiations with the Kuomintang and the finish of the democratic elections in the Soviet regions The changing of the Soviet slogan must naturally be accompanied by giving up also all symbols of the seizure of power, such as the Red Star and the independent name of the Red Army.

"The Soviet in China was different from that in the U S. S. R

The Chinese Soviet was a workers' and peasants' democratic dictatorship The Russian Soviet was a form of proletarian dictatorship. It is true that there were Soviets in the bourgeois Kerensky period in Russia, but these were also different from the Soviets in China. Russian Soviets were a proletarian-peasant dictatorship in form but had not seized power. They were attached to the Kerensky Government and this Government depended on the support of the Soviets for its maintenance If at that time Kerensky could have carried out the program of the workers' and peasants' democratic dictatorship, the revolutionary transformation could have been achieved without bloodshed But the Kerensky Government became reactionary and the Soviets turned reactionary with it and helped in the slaughter of the peasants and workers. The Soviets became the instrument of the bourgeoisie, so Lenin abolished his slogan of 'All Power to the Soviets' When Lenin first proposed the slogan 'All Power to the Soviets' he expected the Soviet sovereignty to break away from the influence of the bourgeoisie and to become a real organ of the peasants and workers, through the medium of which the transformation to the proletarian dictatorship could be realized peacefully This plan failed, so Lenin changed that slogan to slogans demanding armed uprising and the overthrow of the Kerensky Provisional Government Lenin did not again put out the slogan of establishing Soviet sovereignty until after the October Revolution had changed the Soviets into a real proletarian base.

"The Kerensky period in Russia was different from the Soviet period in China because the feudal Tsarist regime was overthrown and the bourgeoisie had already gained power, so the Russian bourgeois revolution was fundamentally achieved. Because of this Lenin changed to the slogan of demanding a proletarian revolution But in China the bourgeoisie only participated in the class bloc of the united front and did not solve any of the revolutionary problems Because these tasks were not accomplished, the problem of the Chinese Soviet movement was how to complete these bourgeois tasks, and not how to change to the stage of the proletarian revolution.

"In this analysis the Communist Party disagrees with the Trotskyists, who think that after the 1925-27 Revolution the Chinese

bourgeoisie had already begun their rule, so that by 1930 the nature of the Chinese Revolution was no longer *bourgeois*; that the bourgeois stage was fundamentally completed and the nature of the revolution from then on should be a Socialist revolution. Even during the Wuhan period the Trotskyists proposed the Soviet slogan, and the Communist Party refused to accept this because it meant the overthrow of the then still revolutionary Kuomintang, and this would have been wrong

"The Communist Party now has given up the Soviet slogan because we think the progressive change within the Kuomintang has already begun To continue with the Soviet slogan would be to demand the overthrow of the Kuomintang, which would mean civil war and make it impossible to realize the anti-Japanese struggle

"The Soviet Revolution in China may be divided into four stages

1 The period of uprisings and of self-defensive partisan warfare under the leadership of the Communist Party, from 1927 to 1930

2 The period of the transformation of the partisans into the Red Army and of the partisan areas into Soviet areas, from 1930 to the end of 1931

3 The period from the First All-China Soviet Delegates Congress at the end of 1931 to the Second Soviet Delegates Congress in February 1934, followed by the retreat from the Central Soviet districts

4 The period from the beginning of the Long March to the concentration of our three Front Armies in the Northwest in October 1936, just before the Sian Incident

"The uprisings of 1928 and 1929 soon developed into partisan warfare for self-defense, and after the Li Li-san period in 1930 the partisans were transformed into the regular Red Army and the small partisan areas became Sovietized At the same time we shattered the first three campaigns of the Kuomintang This phase lasted until September 18, 1931, when Japan invaded Manchuria During this time the Soviet base became established.

"After the first three Kuomintang campaigns had been destroyed, the First All-China Soviet Delegates Congress was held on December 11, 1931, the anniversary of the Canton Commune, and for the first time a Central Soviet Government was established

"The years between the First and the Second All-China Soviet Delegates Congress, held in February 1934, mark the period of the highest Soviet power After the defeat of the Fourth Campaign in 1933, Chiang Kai-shek concentrated all his forces, changed his tactics, and began a Fascist movement and the Lushan Training School in order to destroy us This Fifth Campaign obliged us to change our locality But it must be pointed out that Chiang Kai-shek could not have organized this grand Fifth Campaign had he not received sufficient support from the feudal and imperialist elements interested in defeating the Soviets.

"All during the period after 1927 Chiang Kai-shek had relied on imperialist support, but at first the Soviet movement was not regarded seriously by the imperialist interests After it had developed, they felt the menace, and the conflicts which had formerly existed between the imperialists and the Chinese bourgeoisie and landlords decreased in face of the common danger, so they co-operated more intimately against the Red Army.

"The Kuomintang Reaction was greatest just after the Great Revolution in 1927, but reached its second most reactionary point at the time of the Fifth Campaign in 1934 This Reaction is peculiar to the Chinese militarists and bourgeoisie It began in 1927 because they were afraid of the revolution and turned against the peasants' and workers' movement Then, after this, their internal conflicts resumed, during which period the revolution developed again, taking advantage of these internal conflicts Again, when the Soviet power rose, the new Reaction caused a new alliance to form within the ruling powers in order to suppress the revolution.

"At the time of the Fifth Campaign in 1934 the reactionary methods of the Kuomintang had all greatly improved over those used previously, because a Chinese Fascist movement began which utilized the experience of the foreign Fascists in suppressing revolution, even to the organization of Blue Shirts

"The nature of the Kuomintang did not begin to change until 1935. After the Ho-Umetsu Agreement in 1933 the Chinese bourgeoisie began to waver, and this wavering was greatly increased after the December Ninth Student Movement in 1935. But though the bourgeoisie was wavering during those dark days in North China,

there was no decisive change until after the Sian Incident in December 1936.

"The changes within the Chinese bourgeoisie cannot be plotted on a regular curve, but only in a line with many rises and falls. Changes occur abruptly because of inherent contradictions, and the bourgeoisie will follow this same line in the future.

"The fourth stage of the Soviet Revolution began with the Long March in October 1934. This was a great movement to change our locality from one place to another in China. The First Front Red Army left the Kiangsi Central Soviet district, the Second Front Red Army left the Hunan-Hupeh Soviet district, the Fourth Front Red Army left the Ssuchuan-South Shensi Soviet district, and the 25th Red Army left the Ouyuwan (Hupeh-Anhui-Honan) Soviet district, all joining in this Great Migration. In this Great Migration we suffered a loss, but Chiang Kai-shek also failed. He wanted to destroy us—and could not.

"The period of the Great Migration ended only when all three main Red Front armies had completed the Long March and concentrated together in the Northwest in October 1936, just before the Sian Incident.

III *The United Front Against Japan*

"The Sian Incident started a new stage in the Chinese Revolution. There the development of the Soviet movement ended, and the new period of a United Front began, which will continue in the war against Japan.

"This new period of the United Front may be divided into two phases: (1) The period beginning with the December Ninth Student Movement in 1935 to the Sian Incident one year later, on December 12, 1936, which may be called the preparatory period for the realization of the United Front; and (2) the period from the Sian Incident to the war against the Japanese, when cooperation on the United Front program actually began."

MANCHUKUO'S NEW ECONOMIC POLICY

NAGAHARU YASUO

SINCE July 1937, the building up of Japan's national economy on a wartime basis has been in full swing. Naturally enough, this has had highly significant repercussions in Manchukuo. Nearly all the wartime economic measures that Japan has enforced, such as the control of foreign exchange and imports and exports, have resulted in the enforcement of similar measures by the Manchukuo Government. With the main trend of its national economy set along this line, Manchukuo witnessed a rapid succession of important developments in the latter half of 1937, including the abolition of Japan's extraterritoriality, the transfer of the administrative rights over the South Manchuria Railway Zone and the conclusion of a £2,000,000 German-Manchukuo credit agreement.

Of all these developments, the establishment of the Manchuria Heavy Industry Development Company may be regarded as the most important. It has involved what is generally termed a complete reversal of the principles of Manchukuo industrial development. Ever since the establishment of the Hsinking Government, "No capitalist admitted" has been the formidable notice board on the country's borders, confronting Japanese as well as foreign capitalists. Elimination of all "evils of capitalism" and the sharing by the whole nation in the profits of industrial exploitation have been officially professed as the principle governing all industrial activities. Accordingly, rigid state control has been enforced in every branch of the important industries, particularly the war industries. Iron-clad restrictions have been imposed on all capitalist enterprises in respect to profit-sharing.

On October 29, 1937, the Manchukuo Government took the capitalists, both in Japan and abroad, by surprise. All of a sudden—or so it seemed—the Hsinking authorities made public a decision to remove their almost six-year-old "notice board" and to establish a new concern to conduct the industrial development of Manchukuo with the active participation of private capital. A new gigantic

holding company was to be entrusted with the coordinated deve[illegible] ment of heavy industry, with a capitalization of MY 450 million, equally subscribed by the Manchukuo Government and the Nipp[illegible] Sangyo K.K. (Nippon Industry Company), itself an outstand[illegible] Japanese holding company, popularly known as the "Nissan" [illegible] terests. The unexpectedness and magnitude of the "deal" were no[illegible] ing short of a Manchurian "economic upheaval" in the eyes of mo[illegible] Japanese capitalists. It created a whirlwind of both criticism [illegible] approval; but all observers agreed that it was an about-face [illegible] Manchukuo's economic policy and an outright capitulation to pri vate capital of the alleged Hsinking policy of state-controlled capi talism. Although there is no denying that this sudden change [illegible] policy was to a great extent precipitated by the war in China, the about-face is by no means solely a result of the urgent necessi[illegible] facing the governments of both Japan and Manchukuo, to tide over various changes in national economy

That Manchukuo's programs for industrial development had been suffering from an acute shortage of investment funds had long been almost an open secret in industrial circles in Japan Indications as to how keenly the necessity of Manchurian investment had been felt were abundantly revealed in the discussions in the special Die session in September 1937. In a debate a Diet member reve[illegible] that an approach had been made to certain private interests in Japan, inviting investment in Manchukuo and offering to remove the hitherto-imposed restrictions on profit sharing Another mem ber pointed to the difficulty, for Japanese private capitalists, of investing in Manchuria In a reply, a Government official intim[illegible] that some "new deal" was under contemplation to facilitate Japa nese capital investment there following enactment of the law These statements were sufficient to reveal the serious lack of capital funds suffered by the Manchukuo Government and also to suggest that a certain shift had begun in the basic lines of Manchukuo's indus trial development policy, apparently to keep pace with the advance ment of wartime economy in Japan Though the announcement of the change of policy came out unexpectedly, there had already been some early indications that plans had been shaping in the minds of the ruling authorities in Hsinking.

Manchukuo's New Economic Policy

No change in Manchukuo's economic policy can be viewed as having evolved independently of the course of Japanese policy. It is therefore necessary to review Japan's policy toward Manchukuo development for some time preceding the "surprise" announcement by the Hsinking Government. When General Senjuro Hayashi formed his cabinet in March 1937, he made clear the new basic lines of economic policy to be followed at home and toward Manchukuo. In domestic economic policy he laid particular emphasis on the necessity of "utmost utilization of the special characteristics of Japanese capitalism" At the same time, he stressed that the development of heavy industry would be the focal point of industrial policy toward Manchukuo and that special attention would be paid to avoid friction between industrial interests at home and in Manchukuo This was to be effected through a "gradual" shifting of domestic industries toward planned economy This was interpreted as aiming at avoiding any radical changes in Japan's economic system and also as intended to clarify the principle of continued dependence on the capitalist system of economy Finance Minister Toyotaro Yuki elaborated on this by clarifying his own stand, which he described as based on the closest cooperation between the military and capital

This policy, since continued and even strengthened by Prince Fumimaro Konoye's cabinet, is therefore to be taken as aiming to shift the weight of the semi-wartime economy, then in full progress, from the "bureaucratic control," strongly advocated by the late Dr. Eiichi Baba, Finance Minister in the preceding Hirota Cabinet, to reaffirmed dependence on capitalist economy. The outbreak of the war in July did not change the fundamental course of policy. While the Hayashi Cabinet laid the main stress on expanding productive capacity, the Konoye Cabinet has turned to adjustment of the demand and supply of materials and the balance of international payments, in order to meet the immediate needs of war. However, the necessity of expanding productive facilities has remained unabated and must be carried out along the lines of the original policy of making the utmost use of the existing capitalist interests in Japan.

With the main stream of Japan's national economy following

these lines and with the keen necessity of capital investment increasingly felt in Manchukuo, something was bound to happen to the fundamental policy of Manchukuo industrial development The main force of Japan's new economic policy, firmly established by the Hayashi Cabinet and followed by the Konoye Cabinet, centers around the full utilization of all capitalist resources, the "parallel" development of industry, with special emphasis on the heavy industries, in Japan and Manchukuo, and the establishment of an economic bloc between the two countries.

In October 1936, the Hsinking Government published an ambitious Five Year Industrial Development Plan. The first year's program began in 1937 The Government followed the inauguration of the plan with the enforcement of an Important Industries Control Act, in May of the same year This law can be summed up in four main points· (1) It set legally defined limits to the economic control, which had been hitherto exercised by the Manchukuo Government to a large extent at its arbitrary discretion—this being interpreted as serving to allay the apprehension of Japanese investors, (2) it gave primary consideration to the development of vital war industries, (3) it established a concrete policy for adjustment between Japanese and Manchurian industries in view of the likelihood that Manchurian industrial development if not coordinated with that of Japan, might cause friction, and (4) it precluded the evil effects of free competition, in order to ensure a sound and speedy development of the basic industries, particularly those of national defense Yet, even at this stage, there appeared to be an awkward gap between Hsinking's avowed principle of controlling private capital and Tokyo's policy of continued dependence on the capitalistic system This had hitherto prevented a completely unified economic bloc.

The outbreak of the war in China has brought new pressure to bear. The war demanded the speeding up of Japan's industrial expansion to achieve a war footing In effecting this, however, the iron rule has remained unchanged that no deviation is to be allowed from the basic lines of policy upheld by both the Hayashi and the Konoye Cabinets. At this juncture Manchukuo came to be counted on more than ever For this purpose, a "realistic" revision of the

inelastic Manchukuo policy of controlling private capital became imperative. There was to be a showdown over the fundamental lines of economic policy as between Japan and Manchukuo.

After five years of rigid control of private capitalism, the Manchukuo Government had to give in to the main trend of Japan's national economy. The tardy progress of industrial development in Manchukuo, largely caused by the dearth of necessary capital, was increasingly embarrassing the authorities. The necessity of "realistic" revision of economic policy had been asserting itself with added vigor. This was what forced the drastic redirection of Manchukuo's basic economic policy by not only lifting the rigid anti-capitalist ban but actually inviting financial groups, in Japan and elsewhere, to enter Manchukuo, with full Government assurance of unrestricted capitalistic profit-sharing The surrender to private capitalism, in short, was outright. The authorities of Manchukuo have openly admitted the failure of their controlled economy and have given in to Japan's private capitalism Since the ultimate objective is speedy economic development under the pressure of needs of national defense, this reversal of policy on the part of the Hsinking Government may be said to have been foredoomed

THESE are the general considerations Among more immediate factors, it cannot be denied that the outbreak of the China war and the tense international situation impressed the Manchukuo Government and the Kwantung Army authorities with the imperative necessity of building up basic heavy industries in Manchukuo, in order to enable them to obtain necessary war supplies on the mainland more or less independently of Japan The necessity was felt all the more keenly because of the unsatisfactory progress of Manchukuo's industrial development, owing to the dearth of capital. Since the establishment of the Manchukuo Government, a considerable amount of capital had flowed in from Japan. During 1932-36, a total of ¥1,165,716,000[1] flowed into Manchukuo, through the South Manchuria Railway and in Manchukuo Government bonds. This was possible because of the idle capital then available in considerable quantity in Japan

[1] As published by the Japanese Govt s Manchurian Affairs Bureau, Jan 1937

Investment in Manchuria by Japanese capitalists had to be carried on, however, side by side with the continual issuance by the Japanese Government of huge sums in "red ink" bonds to cover deficits in the State budget. Manchurian investment and subscription to the Government bonds had to be undertaken by the same capitalist groups and they had a free choice to make between the two. Finance capital played a dominant part in making the choice. To finance capital, the first consideration for its own interest was preserving the market price of Government bonds, already purchased in large quantity. Overexportation of capital to Manchuria might cause a stalemate in the absorption of Japanese Government bonds and a drop in their market price, disastrous to the interests of finance capital. Accordingly, the financiers unhesitatingly restricted investment in Manchuria in favor of investment in bonds at home. This trend was made definitely clear by the late Finance Minister Korekiyo Takahashi, who in January 1935 voiced a warning against further investment in Manchukuo.

The effect of this attitude of the finance capital groups in Japan immediately made itself felt by the S.M.R., which had hitherto been the sole channel for capital funds entering Manchuria. The railway corporation consequently had to cancel or postpone many of its industrial projects. The Japanese finance capital groups adopted a similar attitude toward investment in Manchukuo Government bonds. Industrial capital in Japan was likewise unenthusiastic about Manchurian investment. The Hsinking Government's rigidly enforced economic control, restricting the free operation of private capital, made new enterprises in Manchukuo by no means attractive to Japanese industrial capital groups. In addition, the Finance Ministry rather discouraged the movement of industrial capital to the Continent, for fear of a large-scale flight of capital abroad through Manchukuo. On top of this, the program for expanding productive facilities in Japan had to be carried through by all means and this demanded increasing capital funds at home.

The combination of the general and immediate factors impeded industrial development in Manchukuo. Drastic measures were needed to induce an increased inflow of Japanese capital. Imports of capital in small lots would not serve the purpose quickly. Some

of the "big" financial groups, big enough to be able to cope with the situation, must be brought over to the Continent. In view of the fundamental characteristics of the main trend of Japan's national economy and that of Manchukuo, and also in view of the intensified force of the immediate causes, the Manchukuo Government finally announced the redirection of its policy and the decision to effect a wholesale "importation" of the "Nissan" interests.

Why the Nissan group, instead of the S.M.R. or other financial groups in Japan? In recent years, considerable criticism has been directed against the South Manchuria Railway's activities in Manchurian development. The company, after 30 years of special privilege on the Continent, was accused of having become too "bureaucratic." Its widely expanded management outside the railway services, covering almost every branch of industry, had led to high costs of management, especially in salaries. The average pay of its staff was estimated as about three times that prevailing in Japan proper. Because of the "coldness" of Japanese financiers, the S.M.R. was by this time having tremendous difficulty in raising necessary capital funds. In 1937, for instance, it managed to issue only Y21 million out of a total Y130 million of projected debentures. The inevitable course seemed to be the opening of the shares of the railway's subsidiary companies to the public. The credit the S.M.R. had been enjoying in Japanese financial circles seemed to have reached a limit, as the result of the enormous accumulation of debts resulting from its virtual monopoly in carrying on the industrial development of Manchuria.

Moreover, the fact that Manchukuo had been established minimized the significance of the S.M.R.'s "special" position as a "pioneer" on the Continent and a forerunner of Japan's Continental policy. The railway concern was accordingly constrained to return to its original function of railway services, in which as a matter of fact its activity had enormously expanded. Its pre-Manchukuo initial trackage of 680 miles has now been extended to an approximate total of 6,300 miles of lines over the whole territory of Manchukuo. By transferring to the Nissan interests all its business outside the transportation industry, the S.M.R. has been able to carry out a drastic reorganization of its inflated structure. Its new mileage, ac-

quired partly by the purchase of the Chinese Eastern Railway from the Soviet Union and partly by the construction of new lines, gives the S.M.R. a tremendous volume of work, present and future. As a Japanese company, it has charge of the whole of the Manchukuo Government's railway lines, and is also constructing new lines and roads of strategic importance. The company thus is and will be too much occupied with transportation services alone to assume the heavy responsibilities of effecting a rapid growth of the heavy industries in Manchukuo. Being a corporation established under the Japanese law, it is subject to Hsinking's orders only through the channel of Tokyo. The company, in fact, vigorously opposed an attempt to transform it into a corporation authorized under the Manchukuo law, and refused to transfer its head office from Dairen to Hsinking.[2]

Another reason why the "elder" financial groups—the Mitsubishi, the Mitsui, the Sumitomo, etc.—were discarded from the selection for operating in Manchukuo, in favor of Mr. Aikawa's Nissan interests, can be found in the fact that it was the older groups which had virtually deadlocked Manchukuo's industrial development in recent years by maintaining a "passive" attitude toward Manchurian investment. Their positions being firmly established, these "elder" financial interests preferred safer investment at home. Manchuria, it seemed to them, was too speculative an adventure; to say nothing of their repugnance toward the anti-capitalistic features of Hsinking's economic policy.

On the other hand the "younger" financial groups of industrial capital, finding their way blocked in almost every direction by their enormously grown elders in the home territory, crave new activities and are more enterprising. The "younger" financial groups, especially the Nissan, the Noguchi and the Mori interests, are also enthusiastic about new enterprises on the Continent because of their relatively bigger stake in the war industries. Even had there been no anti-capitalist ban in Manchukuo, it is highly doubtful whether any of the "elder" financial groups would have made any remarkable

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[2] The Manchuria Heavy Industry Development Company, with the abolition of Japan's extraterritoriality in Manchukuo on December 1, 1937, has automatically become a corporation under Manchukuo law.

advance in Manchukuo during recent years. They have been timidly inactive outside of Japan proper, not only in Manchuria but also in Korea, where there have been none of Manchukuo's anti-capitalistic tendencies Despite the low cost of labor in Korea and the absence of control of industry, the "elder" financial interests have been hesitant to undertake new enterprises there. This accounts for the rapid growth there of such "younger" financial groups as the Noguchi interests, which have nearly monopolized Korea's mining and electric power industries.

THE VERY structure of the Nissan interests was such as to make it possible for the Manchukuo Government to announce its reversal of policy without much loss of "face." In the first place, Yoshisuke Aikawa, head of the Nissan interests, claims that they constitute an "open concern," a "public" holding company, as against what he calls a "closed" concern, a holding company exclusively in the hands of a few big financiers or a wealthy family. In his view, the Nissan interests represent a new form of capitalist organization, with its source of capital among the "masses," the company's 50,000 shareholders, instead of a limited number of big individual capitalists or a billionaire family. The whole structure, he claims, is founded on an aggregate of numerous but individually small capital holdings and is so constructed as to return all the profits to the "mass" shareholders. Apart from the validity of what he claims, it cannot be denied that such an apparently novel set-up was more agreeable than "big capital" to the Manchukuo authorities, who had up to that time steadfastly maintained a policy of eliminating the "evils of capitalism." Again, Mr. Aikawa's ability as a higher economic expert has been established by the meteoric rise of the Nissan interests in less than a decade to become the second largest trust in Japan, starting from an obscure holding company capitalized at ¥50,000,000. His ability as a promoter, backed by his technical experience of the past 10 years in building up the Nissan industrial empire, extending over a wide sphere of industries, is badly needed by Manchukuo, where the task of industrial development is gigantic Finally, among the "younger" financial groups, the Nissan interests have been foremost in heavy industry, which comes first in Man-

chukuo's industrial development plan. The Nissan interests are generally supposed to have reached their limit of prosperity and mushroom expansion in Japan in 1937 This prepared them to seek new expansion, and probably influenced Mr Aikawa in accepting the proposition to transfer his interests to Manchukuo.

Nissan made its start as a holding company in 1928, when Mr Aikawa took over the Kuhara Mining Company in an attempt to reinvigorate it Under his management the Nippon Industry Company renamed from the Kuhara Mining Company, expanded rapidly First capitalized at Y50,000,000, the company increased its capital to Y99,415,000 in 1934, and to Y200 million in 1935 As of June 1937, its total capitalization stood at Y225 million, of which Y198,375,000 was paid up Thus, in less than a decade the company came to rank second only to the Mitsui Gomei interests whose capital, all paid up, totals Y300 million [4] As of June 1937, the Nippon Industry Company controlled 18 direct subsidiaries and more than 130 sub subsidiaries The nominal capital of the first group aggregated Y502,050,000, of which Y381,288,000 was paid up The company covers various fields of industry and business, including mining, machine manufacturing, automobiles, chemicals, electricity, fishing food and insurance Its mining, manufacturing and fishing interests are by far the most important These 18 direct subsidiaries control their own subsidiaries, whose nominal and paid-up capital totals Y118,608,000 and Y96,489,000, respectively This means that the Nissan interests control a total capital approximating Y850 million The composition of the Nissan interests is characterized by wide variety, this being apparently based on Mr Aikawa's theory that diversification minimizes risk More than 30 per cent of Nissan's capital investment is in mining, the backbone of the whole concern through the years of rapid expansion, yielding enough profits to finance other lines of industry which it took years to develop to a sufficiently profit-yielding level Much of the rapid expansion of the

[4] As far as capital investment goes, there are much larger companies such as the Tokyo Electric Company with a paid-up capital of Y429,600,000, the Nippon Iron Manufacturing Company, with Y359,800,000, and the S M R whose nominal capital aggregates Y800 million of which Y620 million is paid up However, the former two concerns are themselves engaged in actual business operations, instead of being holding companies like Mitsui, Mitsubishi and Nissan, while the S M R is a semi official concern, not comparable with private companies

Nissan interests is attributable to Mr Aikawa's extraordinary ingenuity in promotion and scientific management. He was originally trained as an engineer. The holding company was established under conditions favoring expansion The first factor was the "reflation" boom which swept Japan following the suspension of the gold standard in December 1931, and the second was the striking growth of the heavy industries, especially mining, favored by the reinforced military programs of the past few years The 12,000 shareholders whom Mr Aikawa inherited from the Kuhara Mining Company helped him to build up a big army of "mass" shareholders on whom to draw as his main source of capital.

The position of the "younger" financial groups, among which the Nissan interests are outstanding, is generally regarded as opposed to that of the "older" financial interests However, it can be safely observed of Nissan that it is in a position to keep on good terms with the 'older" financial groups, because of Mr Aikawa's close kinship with such outstanding groups as the Kimura family of the Mitsubishi interests and the "provincial' financial cliques of the Kwansai district As far as surface indications go, the Nissan interests are independent of these "older" groups, but such personal connections would be far from likely to preclude interrelations, not necessarily open, between the "younger" financial interests and the "older" finance capital groups.

As ANNOUNCED by the Manchukuo Government, the Manshu Jukogyo Kaihatsu Kabushiki Kaisha (Manchuria Heavy Industry Development Company, Ltd) which will operate in Manchuria on behalf of the Nippon Industry holding company, is capitalized at Y540 million One half of the capitalization is subscribed by Nissan, backed by its powerful mining and other industrial interests, while the other half will be invested by the Manchukuo Government in kind, mainly in heavy industry plant equipment, which it is to purchase from the S.M R. The main S M R. subsidiaries to be purchased by the Manchukuo Government and placed under the control of the newly established holding company, include

	Nominal Capital	Paid-up Capital
Showa Steel Works	¥100 000 000	¥82 000,000
Manchuria Light Metal Co	25 000 000	6 250 000
Manchuria Coal Mining Co	80 000 000	32 000 000
Manchuria Gold Mining Co	12 000 000	7 175 000
Dowa Automobile Co	6 200 000	3 200 000
Japan-Manchuria Magnesium Co	7 000 000	3 500 000
South Manchuria Mining Co	3 600 000	1 350 000
Manchuria Mining Development Co	5 000 000	3 100 000
Manchuria Lead Mining Co	4 000 000	4 000 000
Shantung Mining Co	5 000 000	2 250 000
Manchuria Mining Co	1 000 000	750 000
Kaiping Mining Co	2 000 000	1 960 000

The first five of these were transferred by the Government from the S M R to the Manchuria H I D Co in March 1938. The Government paid the S M R ¥107,475,600 for a total of 2,338,000 shares taken over The new company controls iron, steel, light metal, automobiles, aircraft, gold, coal and other mining industries The most notable point of the transaction is the full support guaranteed by the Governments of Japan and Manchukuo In addition to the privileges given to all "national defense" industries under the Important Industries Control Act of Manchukuo, the company is guaranteed by the Government a profit of six per cent a year on all its capital invested in Manchuria for the next 10 years. The agreement between the Manchukuo Government and the company stipulates that in case the rate of dividend for private (formerly Nissan) shareholders is less than 10 per cent a year, the dividend for the Government will always be half of that on private shares. In case the dividend rate exceeds 10 per cent a year and that for the Government 5 per cent, such excess will be equally divided between the Government and the private shareholders. Other salient special privileges granted are (1) the company is exempted from any Manchukuo taxes on profits accruing to it out of its investment in countries outside Manchukuo and no profit tax is imposed on dividends paid to shareholders outside Manchukuo; (2) a similar guarantee is granted regarding the imposition of taxes on domestic enterprises in Manchukuo, the Government undertaking to prevent the company from being affected when financial burdens are increased by a change in the general tax system in Manchukuo; (3) the company will not be restricted in any respect as to its rate of dividends; (4) both the

Manchukuo and the Japanese Governments will ensure the negotiability of the shares held by private investors; and (5) if the company is dissolved, the residuary estate, in case it is worth less than half as much again as the total paid-up capital, will be divided between the private shareholders and the Government in the ratio of 2 to 1. Any excess above that will be equally shared

Compare these terms with the Manchukuo Government's previous policy of rigid control; a change all the way from restrictions against capitalistic private profit-sharing to positive Government guarantee for it However, according to Mr. Aikawa, these privileges are only "natural." If the development company should fail to yield an average profit of six per cent a year in the first 10 years, then all Manchurian industrial development is not worth while Moreover, the company, in view of its nature, will have to engage in lines of enterprise which will be far from profitable at the beginning but which, operated on large scale, will be paying businesses in 10 years or so

With dual Government protection guaranteed, the whole of Mr. Aikawa's Nissan interests have been transferred to Manchukuo. The first problem confronted has been the raising of the necessary funds for carrying out the gigantic task of developing heavy industry in Manchuria Although the deal itself was necessary to break the stalemate in respect to capital funds, the establishment of the company in itself will not solve the question From the standpoint of domestic capital, both optimism and pessimism have been evident The establishment of the company, because it represents a reversal of Manchukuo's anti-capitalistic policy, has undoubtedly removed one of the main obstacles preventing the inflow of capital from Japan and has provided a new channel.

Attention, however, must be paid to the condition prevailing in the capital funds market in Japan. The expansion of productive capacity that is in full swing at home appears to have already taxed the reserve of capital available. Against this, optimistic observers point to the vast potentialities of the Nissan "mass" shareholders and to the strong Government support of the Bank of Japan and the Industrial Bank The Central Bank of Manchou and the Manchuria Industrial Bank formerly had poor contact with the Bank of Japan

and other Japanese banks. The establishment of the company has brought about closer connections, definitely broadening the channel of capital into Manchukuo. However, whether the hoped-for inflow of capital will be sufficient to meet the needs of Manchukuo is a different question, which will be entirely dependent on the condition of the capital funds market in Japan. So far no remarkable headway has apparently been made, though, pending the expected formation of a banking syndicate to finance the company, it is reported to have obtained a loan of Y50 million from the Industrial Bank to meet immediate needs. It should also be noted that Mr. Aikawa's "advance" to the Continent is most likely to be followed up by the "younger" financial bloc in various branches of industry other than heavy industry. Moves by Jun Noguchi's chemical industries and Shingo Tsuda's "Kanebo" interests in the textile industry are generally anticipated, though at present the magnitude of the Nissan deal is apt to dwarf these possibilities.

This somewhat problematical outlook for capital supply from Japan accounts for the emphasis laid by Mr. Aikawa himself and other supporters of the "deal" upon the desirability of obtaining substantial foreign capital. Soon after the plan for the company was announced last autumn, Mr. Aikawa stressed on several occasions the necessity of importing foreign capital, and for this purpose, of definitely upholding and enforcing the principle of equal opportunity in Manchukuo. He went so far as to assert that upon this will depend whether or not a speedy industrial development of Manchukuo will be realizable. The reported revision of the Manchukuo Five Year Development Plan, shifting its emphasis to heavy industry, calls for Y3,000 million for that section alone. According to Mr. Aikawa, one third of this sum will be provided by Manchukuo, another third will be supplied in Japan, and the remaining third will be offered abroad, mainly in America, to purchase machinery and technical services. The possibility of acquiring American investment, largely in the form of commercial credits for plant equipment and technical services, has been much discussed. Both optimism and pessimism have been expressed.

The question of securing the technical cooperation of Germany and Italy, especially in the aircraft industry, is also frequently dis-

cussed, since the Nissan interests are generally considered particularly weak in this branch. The conclusion of a £2,000,000 credit agreement between the Manchukuo Government and the Otto Wolf concern of Germany in November 1937, may be taken as a step in this direction The agreement provides that the concern will accept Manchukuo orders for German goods up to the amount of the credit at 5.5 per cent interest The Central Bank of Manchou guarantees payment, in semi-annual installments over a period of six years German machinery for heavy industry is expected to be the main result of the agreement. Products of chemical industries, which are covered in the German-Manchukuo trade accord, are excluded from the credit agreement. There are also indications that similar credit arrangements for purchase of Italian aircraft manufacturing machinery are being negotiated with Italy in connection with the long heralded Italo-Manchukuo commercial agreement.

Failure of the Manchuria Heavy Industry Development Company to obtain substantial foreign commercial credits, particularly in America, would, it is generally conceded, make it difficult to effect a speedy execution of these development plans In that event, the company would have to devote itself for the first year or two to such basic lines of industry as mining, and iron and steel manufacturing, in order to consolidate its foundation Or rather, the attitude of foreign capitalists will be influenced by the headway that the new company is able to make in the first year or so in industrial development when free of the previous Manchukuo restrictions

Capital seeks safe and profitable territory for investment, and Mr Aikawa, who has transferred the vast interests of himself and his 50,000 shareholders, "not because Manchukuo is a risk but because it is safe," is now called upon to demonstrate that his decision has been right He will have to convince the capitalists, in Japan and abroad, of the soundness and profitableness of Manchukuo as a land for investment If he succeeds, capital might begin to flow in.

New York, June 1938

THE ARMING OF AUSTRALIA AND NEW ZEALAND

DONALD COWIE

THE military, naval and air policies of Australia and New Zealand have been disregarded by world experts in the past because of their unimportance, but recent happenings in the Far East have caused British observers to wonder exactly what these two Dominions could do to protect themselves in the event of a world war

Australia and New Zealand have only just begun to arm themselves adequately Their policies have not yet gone beyond experiment and investigation. Until recently, they were virtually dependencies of Great Britain, which had the responsibility for defending them Just before the great war they began to build up militia forces, and they made financial contributions toward the maintenance in their waters of small Royal Navy squadrons The great war shook their old confidence They learned that their troops were the equals of any in the world, but they emerged from the war with grave doubts as to their future security. The difficulty of maintaining communications across the Indian Ocean and the Pacific during the war years was ominous. Had it not been for the Anglo Japanese Alliance the British Navy would scarcely have been able to prevent raiders and submarines from severing the Suez, Cape of Good Hope and Panama routes. Australia and New Zealand would have been unable to keep up their contributions of men, food and raw materials to Europe and the Near East, and their own agricultural producers, dependent on overseas markets, would have suffered.

Australia and New Zealand welcomed the League of Nations, to which they were elected as independent members. In early post-war years they, like other small powers, hoped that the Genevan principle of collective security had come to stay. Fear was temporarily lulled, and annual contributions to the League cheerfully paid. When Great Britain attempted to encourage universal dis-

armament by drastically reducing its army, navy and air force, New Zealand and Australia followed, reducing their forces to skeleton strength. Many believed that large-scale war had been finally discredited. This belief survived the beginning of depression, but fear was revived by the Japanese invasion of Manchuria in 1931 and the failure of the League to restrain the aggressor There followed a "Japanese scare," with predictions of invasion by land-hungry people from the north. Some tried to allay these fears by the argument that the danger had been lessened by Japan's diversion to the mainland of Asia; but the sequels of the failure to stop Japan—Italy's invasion of Abyssinia, the failure of sanctions, the growth of Italian power in the Mediterranean, the instigation of the Spanish Fascist rebellion by Italy and Germany, and Japan's renewed invasion of China—and the sudden British decision to rearm —convinced Australia and New Zealand that they were vulnerable and must rehabilitate their naval, military and air forces at once.

The present and potential strength of both countries does not reside entirely in the ships, planes, guns and men provided for under the defense plans laid down in 1937 Both Dominions, however, and particularly Australia, will eventually be in a position to play an important part in the power politics of the Pacific basin Australia is making the bigger effort, partly because it is the larger country (with an area of 2,974,600 sq. miles and population of 7 million, to New Zealand's 103,415 sq. miles and 1.5 million people), but mainly because it has a Conservative government, with strong views about armaments, while New Zealand, under a Labor government, has conflicting ideological loyalties.

The Australian defense estimates for 1937-38 provide for a total expenditure during the year of £11,531,000, at the highest cost per head of population of all the British Dominions.[1] "This financial provision has never been equalled nor the purpose of the expenditure more unanimously endorsed," said the Australian Prime Minister, Mr. J. A. Lyons, speaking in the House of Representatives, prior to the introduction of the estimates. Sir Archdale Parkhill,

[1] The Australian Prime Minister announced on March 24, 1938, that an additional £24 850,000 would be spent on defense in the next three years Two 6,830-ton cruisers would be purchased from Britain This development was made necessary by the worsening world situation, and was supported by Labor

the Minister for Defense, added that this was due to "the importance of providing as much as possible within the shortest practicable time. A large proportion of the additional provision this year is for capital expenditure on works, armament and equipment, which take some time to complete." The money was divided as follows: £6,433,000 for maintenance of the defense forces as then constituted, £1,201,000 for commitments outstanding from 1936-37, for which provision existed in Trust Fund, £4,016,000 for new program objectives. As the combined total exceeded the budgeted £11,531,000, an amount of £119,000 was to remain unexpended. Of these expenditures £3,031,000 was to be financed from Trust Fund, Defense Equipment and Civil Aviation accounts, £2.5 million from Loan Fund, and £6 million charged to revenue.

Nearly one third of the estimates, £3,602,000, was earmarked for the Australian Squadron of the British Navy. The existing complement of three cruisers, one flotilla leader and two destroyers, two sloops and one survey ship was to remain, but the armor of the cruisers was to be strengthened and modern and additional guns provided. A seaplane carrier was to be recommissioned and the seagoing personnel increased by 201 to a total of 4,491. The Defense Minister, in the speech already cited, added specifically that "substantial provision" was to be made for "local seaward defenses toward strengthening the security of our ports against attacks by submarines and minelayers, in order to make our harbors safe both for our warships and merchant vessels." The precise cost of this was not stated, but is believed to have been nearly half of the naval estimates. Nor were exact details divulged of the work to be undertaken, although it is known that special antisubmarine equipment, three local seaward defense vessels, new wireless stations, booms and oil tanks are now being constructed at the main ports.

In the same statement the Defense Minister revealed that the army vote of £3,183,000 was to be for continuation of the strengthening of the fixed coast defenses of the main ports, and increase of their anti-aircraft defenses. At Sydney, Newcastle and Fremantle 9.2-inch and 6-inch guns, anti-aircraft guns and searchlights have been installed, and the defenses of Hobart, Brisbane, Port Phillip and Darwin have been strengthend. For training specialists to man

these defenses the permanent forces have been increased by 148 and the militia or territorials raised from 26,295 to 35,000 The Australian army organization now provides potentially for a field army of seven divisions

For the Royal Australian Air Force £2,658,000 was provided The Council of Defense had already decided that the first-line strength of aircraft should be at least 198 Eight squadrons, furnishing a first-line strength of 96 planes, have now been organized A big effort will be made this year to approach the strength planned Recent improvements in types of aircraft and increases in costs of building and materials have however made it necessary to devote at least £737,000 of the new expenditure to these extra charges It is therefore not expected that the nine new squadrons of 102 planes can be formed by the end of 1938 The permanent personnel will be increased by 353 to a total of 2,472, three out of five additional bases should be ready before the end of 1938, and it is intended to patrol the coast of Australia regularly, both to give the pilots experience and to aid the Customs in North Queensland and the Northern Territory, where Japanese fishing vessels have been apt to make a nuisance of themselves. Underground hangars and catapult equipment will be provided at Darwin and periodical exchanges of squadrons will be arranged between Australia, Singapore, Borneo and New Zealand

To improve the Australian supply of munitions, the estimates provided £1,039,000 At the 1937 Imperial Conference the principles of imperial defense laid down in 1923 and 1926 were extended to decentralize the production of munitions, diminish Dominion dependence on Great Britain and extend overseas resources in an emergency Australia, anxious to develop its manufacturing industries, considers that munitions industry will foster heavy industry Therefore the sum allotted has been used to enlarge existing factories—the Bren gun is now being made in Australia—and to place what a speaker in the House of Representatives called "orders of an educational nature . . . so that the potentialities of industry may be accurately gauged" It is believed that eventually Australia can be a main source of supply for New Zealand, South Africa and the British forces at Singapore.

New Zealand's recent annual average vote for defense purposes has been little more than a million pounds. The Government has just planned extensive military reorganization, but the Dominion has lagged far behind Australia. New Zealanders have been confident both in their isolation and in their close trade relations with Great Britain Independent defense forces are very expensive for a country as big as the United Kingdom with the population of a London suburb. When the Labor Government took office in 1935, however, there was a growing realization that Great Britain, the League of Nations and isolation were no longer sufficient Mr. M J. Savage and his colleagues were reluctantly compelled to increase military expenditure.

Announcing in September 1937 the Defense Vote for 1937-38, Mr W Nash, the Minister for Finance, stated in the House of Representatives that

> The Government is of the opinion that there can be no permanent peace between the nations other than through a body to which all the nations are pledged, and bound to act in accord with principles of agreement, law and order. But until the League of Nations becomes effective the Government must take steps . . . to defend the Dominion

Accordingly an air defense scheme was drawn up, proposals for cooperation with Great Britain and Australia in naval defense adopted, land forces reorganized and all three services coordinated to eliminate waste and ensure effective use of resources. New Zealand is defended by two 7,000-ton cruisers, mounting eight 6-inch guns, a few dozen aircraft, many of them obsolete, and a territorial force of 8,000 officers and men. There are 37 Air Force officers and 290 men, but it is hoped to raise this to a total of 900 Orders have been placed for two operating squadrons of the latest type of aircraft, which are to have new airfields Coastal and anti-aircraft defenses are to be strengthened and unified control of the forces has been placed with a Council of Defense, under the Prime Minister. It contains both political and non-professional members

Politicians and military experts in Australia and New Zealand have had to devise at short notice means of defense that would be adequate and that they could pay for. From what direction would

attack come? A localized war between a British Dominion and a foreign nation is unlikely. Any war in which they were involved would concern the British Commonwealth and its allies Australia and New Zealand would have to prepare for attack from any quarter, and prepare to help prevent (or submit to) blockade of their communications with Great Britain and the other Dominions, without a great deal of military or naval support from Europe. They seem to believe that no matter what the outcome of a major war, Australia and New Zealand would be unlikely to be invaded as Abyssinia has been invaded by Italy, or China by Japan. It would be too costly, dangerous and impracticable for the enemy. A New Zealand paper quotes an American visitor as saying that Japan would have to pass the British line at Singapore and the American line at Pearl Harbor in order to attack Australia or New Zealand Moreover, Japan could scarcely land 200,000 men with the shipping it now has.[2]

Therefore the present Australian and New Zealand policy is to prepare strong coast defenses against raids and to organize the nuclei of naval and military expeditionary forces that could co-operate with British forces to protect communications, or be sent overseas in case of emergency. The Prime Minister of Australia, speaking in the House of Representatives in August 1937, declared that

> A condition essential for an aggressor to invade Australia is . . . command of the sea line. . . . With the British Fleet in existence . . he cannot be certain of being allowed time . . or of not being confronted with a superior naval force. . . . Our Navy, Army and Air Force furnish us with the means to resist him until help is forthcoming
> An invader must be confident of being able . . . to ensure air superiority.

Both Australia and New Zealand plan to defend vital localities with artillery and anti-aircraft guns, together with garrisons and forces sufficient to deal with landing parties. Their growing air strength will be a further insurance.

Not everyone in New Zealand and Australia agrees with the

[2] Interview with a Mr F. W McKay, of New York, *Christchurch Press*, Nov 11, 1937

official policies The Australian Federal Labor Party wants a gigantic air force instead of naval and military defense of the coast It is tacitly admitted that self-reliance and strategic independence of Great Britain are the aims of this policy The New Zealand Labor Government is attacked by die hards who want much larger defense expenditures Sir Andrew Russell, who commanded the New Zealand Division from 1915 to 1919, said recently that if New Zealand were attacked by a strong power

> The Pacific Squadron would in all probability be shattered or annihilated before it prepared for battle, or would be cooped up in the shelter of Singapore New Zealand's position in case of trouble in Europe which prevented the arrival of aid from England would be hopeless[3]

Many New Zealanders and Australians are worried by the German demand for return of colonies They are definitely opposed to resigning their mandates over New Guinea and Western Samoa, not because these are valuable possessions, but because they fear a potentially hostile power in such adjacent territories Many still believe that the League of Nations would work, if properly backed The idea of a Pacific peace pact, put before the Imperial Conference of 1937 by the Australian Prime Minister, is a typical if abortive product of this school of thought Australian Labor still, as ever since the War, "supports those idealists who are ready to risk a partial and dubious security in order to win the highest security of world peace"[4]

At present, both Dominions, worried by the spread of aggression, are preparing to defend themselves Soon it may not be worth attacking them, and the two youngest countries of the Pacific may be able to act as a stabilizing force in that area

London, March 1938

[3] *Auckland Star* Feb 10, 1937

[4] *Australia* by W K Hancock, London, 1930, pp 249 50

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NO. V: THE DEVELOPMENT OF MODERN SOCIAL SCIENCE IN CHINA

WANG YU-CH'UAN

This article was submitted in draft form by the author. We have not been able to get in touch with him since the destruction of Nankai University by the Japanese Army. In some respects the article might have been made clearer if the author had been able to revise it. We print it as it stands, because it records in a strikingly clear way the "tide-marks" of the spread of Western ideas in China. This, and a previous article in PACIFIC AFFAIRS *on "The Rise of Land Tax and the Fall of Dynasties in China" (June 1936) are, we believe, the only studies published in English by Wang Yu-ch'uan, although his articles in Chinese had won him a reputation while he was still an undergraduate.*—THE EDITOR.

FROM THE foundation of the Ch'in dynasty in B.C. 221 to the T'aiping Rebellion in 1851 A.D., China was an agricultural society, relying on intensive cultivation and the elaborate use of man power, and governed, in the name of half-deified, palace-cloistered emperors, by a scholar-bureaucracy. In the enormous mass of documents accumulated by this bureaucracy there is a quantity of social and economic material. The cast of thinking of the bureaucracy was however administrative, not sociological, so that it never created a social science in the modern sense. The social content of the Chinese Classics is limited almost entirely to political administration, defined and interpreted in the Confucian spirit; while the orthodox canon of history contains little in the way of criticism or novel theory. Even the works of the more progressive scholar-statesmen are limited chiefly, in social topics, to subsidiary aspects of the economic and political "vicious circle" of China's precapitalist society described by Wittfogel:

> Accumulation of private wealth . . . and land in the hands of officials, "gentry" and great merchants, reduction of land tax, enfeebling of the state, agrarian crisis, internal crisis, external crisis—invasions—state crisis. Although the vicious circle could be . . . smoothed over by the fall and rise of "dynasties," it could never be really overcome.[1]

[1] K. A. Wittfogel, "The Foundations and Stages of Chinese Economic History," *Zeitschrift fur Sozialforschung*, Jahrg. 4, 1935, Heft 1, p. 53.

The older literature does not analyze the real nature of the recurrent peasant revolts The chief problem of the professional bureaucrats was the need for increasing state revenues The peasants were an anonymous mass, to be kept as far as possible under the direct control of the state The officials were not concerned with the nature of private property or the functional relationship between social classes Their Confucian doctrines, their unquestioning acceptance of Oriental absolutism, and the limits of their culture and civilization debarred them from the analytical method and focused their social interest on the pattern of what ought to be instead of on the scientific study of actualities Social ethics they had, but not social science.

When foreign invasions and capitalistic commodities shook the Oriental society of China in the nineteenth century, new ways of thought became as inevitable as a new political, social and economic structure At first, however, the bureaucracy consented to take over new institutions only in part, without accepting the new standards they implied, so that the reforms following the T'aiping Rebellion of 1851-65 were ineffectual The army was reorganized and communications improved, but the futility of what had been achieved was revealed by the humiliating war with Japan in 1894-95

In this period of decline the emergence of the Chinese middle class created a new factor The chief obstacles to its development were the social institutions which protected the privileged bureaucracy China thus encumbered, could not withstand invasion The real significance of the Reform of 1898, therefore, was that it aimed at the radical shaping of a new China after the European pattern In this it differed from the "reforms," intended to revive and strengthen Oriental absolutism, of Wang Mang (B.C. 33 — A D 23) in the Han dynasty, Wang An shih (1021-86) in the Sung dynasty, Chang Chu-cheng (sixteenth century) in the Ming dynasty, and Li Hung chang (1822-1901) under the Manchus K'ang Yu-wei, who led the Reform movement of 1898 expressed the demands of the Chinese middle class in *Ta-t'ung Shu* (*The Universe*, published 1891, p 454, republished 1935, Shanghai Chung Hua Book Co) From the *Ch'un Ch'iu* (*Spring and Autumn*) and *Li Yun* classics, he took the theory of the development of society in three phases—the hunting, the pastoral and the agricultural—and the doctrine of the world as a community From Buddhism he took the concept of *Hsin-hai* or Buddhahood and non-family From the West, he drew the ideas of nationalism, the problems of the family and private property and the organization of labor. Nationalism he at

tributed to the system of private property, which in turn he attributed to the family.[2]

> All the members of a family live together and cordially love each other, so they strive to make their family rich and hand down their wealth to their descendants . So long as the family exists, man has to provide for his wife and son . So he will do his utmost to gain wealth (*Ta-t'ung Shu*, reprint, pp. 282, 286)

According to Lewis Morgan (*Ancient Society*), and Engels (*Origin of the Family, Private Property and the State*), the family is not the origin but the result of the existence and development of property, but at least K'ang Yu-wei did not overlook the facts themselves and the class antagonisms already apparent in his time He tried to justify the abolition of the family and private property, "the greatest obstacles to the realization of *T'ai-p'ing Shih*, the Era of Universal Peace" (*Ta-t'ung Shu*, p 288) The family, essentially, is husband and wife, man and woman "By natural law men and women are equal in all respects This is the highest justice in nature and the highest form of humanity" Women must be emancipated from being private property and the toys of men's pleasure (p. 194), and marriage made free. "If they fall in love with each other, a contract will be made, called the contract of love, and the old name of husband and wife will no longer be allowed" (pp 248-9) This contract "should be kept at the most for one year and at the least for one month," though "it may be extended if the man and woman really love each other" (p 252).

K'ang Yu-wei proposed that after a transition period of 60 years "all human beings in the world shall have no family" (p 380) Children should be born in public maternity homes, brought up in public creches and educated in public schools The old should be provided with homes, food and comfort at the public expense (pp 292-352) Utopian as all this may seem—for he also proposed to abolish private property and make public the whole system of agriculture, industry and commerce (p 362)—K'ang Yu-wei expressed the urgent needs of the Chinese middle class In his time the modernization of family relationships, the emancipation of women, the abolition of slavery and the freedom of the individual to find work outside of the family were imperative if a new China were to be established.

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[2] Compare Liang Ch'i-ch'ao's Biography of K'ang Yu-wei, in vol 39 of *Yin Ping Shih-wen Chi* (*Collected works of Liang Ch'i-ch'ao*), Shanghai Chung Hua Book Co., also the Introduction by Ch'ien Ting-an, a pupil of K'ang Yu-wei, to the reprinted edition of *Ta-t'ung Shu*

K'ang Yu-wei did not perceive the conflict between private property and the socialization of production Personal indignation against the monopoly of power by the bureaucracy and the rich landlords, and against small scale agricultural production, made him advocate common ownership of land and an increase in the power of production He could not demand this in realistic terms, because the working classes were weak and unorganized. Being unable to see that abolition of the family and real equality between men and women would be impossible unless the problem of private property had been settled first he thought that the abolition of private property would follow from the abolition of the family, and would be "very easy" (p 380)

The truth is that the social and economic limitations of the immature Chinese middle class made its ideas utopian K'ang Yu-wei did not even hope to check foreign intervention or to make China independent by force, but lost himself in the familiar nineteenth-century vision of "the parliament of man, the federation of the world," with no national differences, with all peoples united and equal, racial differences extinguished and a world government of one "universe" (pp 81, 118 166, 177) These utopian ideas had a considerable effect in the struggle against China's heritage of Oriental despotism They influenced the famous *Jen Hsueh* or *Study of Humanity*, published in 1897 by T'an Ssu-t'ung, another of the Reformers of 1898, and the influence of this book, in turn, lasted until the May 4 Movement of 1919 It explained in abstract terms the theories of K'ang Yu-wei; but T'an Ssu-t'ung, being more sober and restrained, never touched the problem of the abolition of private property, which would in fact have been against the interests of the growing middle class Both men, however, recall Rousseau, for in the development of social theories the forerunners, the utopians, have always been the most thoroughgoing levellers and revolutionaries It is the imminence of the struggle, the consciousness of being inextricably involved in it, that so often paralyzes both thought and action in their successors

OF THE political reform movement of 1898 it is enough to say here that its failure intensified the social crisis. The intrusive power of foreign nations aggravated the old bureaucrat-landlord oppression of the peasants. The Manchus were declining; the choice, for China, was between surrender to the imperialists or some such reform as a constitutional monarchy. It was the latter course which appealed to the bourgeoisie, now more highly developed; and the revolutionaries

knew that in order to make themselves effective, they must be armed with theory against both the old society and the foreign invaders Many scholars of the time proclaimed that "Chinese culture is the material, Western culture the tool," which meant nothing but an attempt to decorate the old Oriental despotism with Western military weapons and means of communication. This was the spirit in which Li Hung-chang, though a great man in his day, wished to reform the army, build a navy and improve communications K'ang Yu-wei and Liang Ch'i ch'ao denounced such superficial reform and urged political and economic education. Liang Ch'i-ch'ao, in 1897, proposed a Board of Translation

> first translate the history of reform movements in other nations, taking them as our models In order to understand the establishment of the state, we shall translate foreign constitutions . . . to make good our losses in commerce and develop trade, we shall translate books on commerce and business . . . As for agricultural literature, books on medicine and the army, there will be special Government Boards (*Collected Works of Liang Ch'i-ch'ao,* Vol 4.)

Books had already been translated, especially from the Japanese, but almost all of them dealt with politics, very few with social science Yen Fu was perhaps the most important translator of the new period His translations included Adam Smith's *Wealth of Nations* (1901), Spencer's *Study of Sociology* (1903), Mill on *Liberty* (1903), and *A History of Politics,* by E Jenks (1903) Chinese students in Japan also began to translate material on the social sciences By 1900 the translation of the *Lecture Notes on Politics, Law and Finance* in Waseda University had begun, which ran eventually to 20 volumes In 1906 there appeared a further *Series on Politics and Law,* in 22 volumes, in 1907 *The Study of Politics and Law* and in 1911 *Lecture Notes on Politics and Law,* each of about 30 volumes This laid a foundation for the future and impressed even the most conservative and reactionary. Yen Fu's enthusiasm for Adam Smith and free trade reflected the interests of the compradores, a class whose very existence depended on the leavings of the Western capitalists In the preface to his translation of *The Wealth of Nations* he justified the low tariff rate forced on China by the foreign powers, because it stimulated the import of foreign commodities

Original work in Chinese on the social sciences was not yet extensive Liang Ch'i-ch'ao was the most voluminous author, by 1915 he had become something of a conservative, but between 1900 and the Revolution of 1911 he introduced the theories of Rousseau, Montesquieu

and others In Japan, in 1902, he wrote his *New People* (Volumes 12 14 of his *Collected Writings*), a book important in the constitutional movement He advocated democracy in politics and resistance to foreign invasion as fundamental to the regeneration of China The first he called "civil affairs," the second "diplomacy" He urged the renewal of public morality, patriotism, courage, justice, freedom, self-government, progressiveness, pride, unification, endurance, duty—a catholic list of virtues 'If there is a new people, do not worry about the fact that there is no new system or new government or new state China being already exploited by imperialists, he investigated the origin and development of imperialism He defined "national imperialism" as the policy of "a nation too energetic to be restricted within territorial boundaries which tries to extend its power to other countries" He evidently recognized the existence and necessity of imperialism, though failing to find the true political and economic explanation and defining it inadequately as "national"

Liang Ch'i ch'ao also showed immaturity in dealing with the problem of the state, which is a champion of the Chinese middle class, then beginning to become powerful, he regarded as just and supreme All under the state must obey and support it He did not distinguish within the state, between those who have the real authority and those who must obey it Nevertheless, economic conditions in his time had developed to a point which made the Chinese middle class more realistic, and therefore, speaking for that class, he did not touch on the "utopian" ideas of abolishing the family and private property which had so occupied K ang Yu-wei The newer conception of modernizing the family and institutions of property to accord with the prevailing Western pattern was what appealed to him

His own position and his activity in the constitutional movement led him to promote the social position of the middle class and to emphasize their significance in comparison with the lower orders He attacked the orthodox canon of Chinese history and set out to establish a "new" history, describing it as "the attempt to formulate the principle of the evolution of human society" (*Collected Writings*, Vol 34, *The New History*, 1902) He also realistically divided Chinese history into different stages, according to the development of political forms but was unable to explain the economic structure of society (Vol 34 *An Introduction to Chinese History*; Vol. 35, *History of the Development of Chinese Absolutism*); he shared the weakness of theory of the revolutionary movement then beginning to develop in company with

the constitutional movement. The T'ung Meng Hui of 1905-1911, the predecessor of the Kuomintang,[3] was still in its first stage Even the pamphlet on *The Army of the Revolution*, by Tsou Lung, cannot be taken very seriously. The grave neglect of theory by most members of the party was pointed out by Sun Yat-sen himself (*Sun Chung-shan Hsien-sheng Yi-chiao, The Testament of Sun Yat sen*, Vol I, Preface by Dr Sun Yat-sen. Shanghai. Min Chih Book Co, 1926)

THEN CAME the Revolution of 1911. The privileges of the old ruling bureaucracy were destroyed and free competition made possible, including freedom of thought and publication A new era in the development of social science began Imperialist pressure lightened as England, France and Germany withdrew temporarily from the Far East between 1914 and 1918 A rapid expansion of modern Chinese industry drove forward the developing bourgeoisie and at the same time created an industrial working class Although the movement for constitutional monarchy had lingered into the time of Yuan Shih k'ai, it was feeble, the bourgeois way of thinking prospered, favoring at least the beginnings of a real social science Theories of economics and sociology began to be discussed, in addition to democracy and constitutionalism

A characteristic book of the period is the *Sociology* of Ou-yang Chun (Shanghai. Commercial Press, 1911, p 146, see especially the Preface). It applies the ideas of a Japanese scholar, Professor Tofuchi, to the outlook of the Chinese middle class. Ou-yang's social limitations prevented him from going beyond "classical" orthodoxy, in explaining government, the state and the family, to a dynamic sociology distinguishing the principles of social development according to differences in the form of production His definition of the aim of sociology as "the attempted improvement of material life and the reform of family, state and international relationships" illustrates his limitations *The Principles of Economics*, by Liu Ping-lin (Shanghai Commercial Press, 1919, p 197), is similarly representative It follows the "classical" economists in expounding production, consumption, distribution and trade, but instead of developing their ideas retains all that is most backward, and omits the theory of value of Adam Smith. The author's definition of value does not go beyond the principle of supply and demand, and his command of formal logic and his comment that human wants

[3] Compare "Sun Yat-sen and the Secret Societies," by John C DeKorne, PACIFIC AFFAIRS, Vol VII, No 4, December 1934.

provide the motive for the study of economics contrast with his disappointing description of political economics as merely the study of the relations between men in common life.

Yet in this uninspiring atmosphere a much more advanced approach was already being opened up The lead was taken by *Hsin Ch'ing-nien (Youth, La Jeunesse)*, the influence of which from 1915 to 1922 was incalculable It was edited by Ch'en Tu-hsiu, a dean of the College of Arts of Peking National University, then a Communist but since 1928 generally regarded as a Trotskyite He summoned Chinese youth to be active, progressive, committed to the offensive, international, utilitarian and scientific—a range of ideas not much different from those of Liang Chi-ch'ao's *New People*, though more realistic In 1916 the rapid rate of change in China during the war in Europe encouraged Professor Ch'en and his associates, Li Ta-chao and Ch'u Chio-pei, to venture beyond the gradualist reformers, the demand for democracy and the attack on the old institutions of the Oriental society In an article on "Our Final Awakening" Ch'en took the stand that "the state is a commonwealth of the people" and that a constitutional republic "could not possibly stand side by side with" the classical Chinese concept of a class system of moral obligations (*Youth*, Vol 1, No. 6, Feb 15, 1916) Thus developed a general assault on the Confucians—on "Confucian Dogma" and on "Name and Dogma"

The growth of the national revolution made it necessary to mobilize popular opinion Out of this arose the "literary revolution" Dr Hu Shih contributed to *Youth* (Vol. 2, No 5) "Suggestions on the Reform of Chinese Literature," calling for abandonment of the classical terms and the adoption of grammar and common words Ch'en Tu-hsiu, in an article on "The Literary Revolution," went further

> Down with the accomplished and flattering aristocratic literature; give us the simple lyric literature of the common people! Down with the corrupt and extravagant classical literature, give us a fresh and honest realistic literature! Down with all vague and ambiguous escapist literature, give us a clear and popular social literature!

Though Hu Shih took the lead in substituting the spoken for the classical language, Ch'en has perhaps an even stronger claim to be the creator of the "Chinese Renaissance."

As *Youth* became more scientific and practical, it encountered hostility The climax came when Dr. Tsai Yuan-p'ei and Li Ta-chao contributed articles welcoming the Russian Revolution (Vol. 5, No. 5, Oct. 15, 1918) "The light of freedom appears! The world in the

future will be red!" declared Li Ta-chao, hailing "The Triumph of Bolshevism." *Youth* was attacked as the representative of democracy and science, and defended by Professor Ch'en ("Answers to the Accusations Against Our Magazine," Vol 6, No 1, Jan 15, 1919) The studies it published on Marxism led to suppressive measures by the Government. The editors then signed a manifesto (Vol 7, No 1, Dec 1, 1919) emphasizing the limitations to the activity of any political party and their unwillingness to cooperate with any party working only for the welfare of one class The magazine published less on scientific socialism, but so long as the revolutionary movement progressed the magazine survived, and from the ninth volume scientific socialism became again its main topic This discomfited some of the editors Hu Shih left, and began in May 1922 the publication of *Nu-Li Chou pao (Endeavor)*, to propagate his theory of "the government of the good man", while Ch'en, moving further toward social revolution, founded *Hsiang-tao (The Leader)*, the first important publication of the Communist Party of China.

Youth also published, separately, a series of translations, including Kirkup's *History of Socialism*, Kautsky's *Class Struggle* and *A Collection of Writings of Scientific Socialism* Li Ta-chao, in *Youth* (Vol. 7, No 2, Jan 1920), made the first dialectical study of modern thought in China, in his "Analysis of the Causes of the Changes in Modern Thought in China, From the Point of View of Economics" At the same time *Kai-tsao (Reconstruction)*, an organ of the Kuomintang, published a detailed introduction to historical materialism, by Hu Han-min

This interest in scientific method differed from the later linguistic researches of scholars like Hu Shih and Professor Ku Chieh-kang, which raised doubts about the authenticity of many ancient documents, undermining the prestige of Confucianism Neither Hu Shih nor Ku Chieh-kang went beyond philological skepticism to a deeper analysis of Chinese history Professor Ku broke preliminary ground, in his famous collection, the *Ku-shih Pien (Criticisms of Ancient History)*. Hu Shih, in addition, through his *Pai-hua* movement for the literary use of the spoken language (first taken up by the contributors to *Youth*), aided the development of the new social science. Phonetics for use in Chinese and attempts to create a romanized Chinese alphabet, first discussed in *Youth* by Professor Ch'ien Hsuan-t'ung (Vol. 4, No 2, Feb. 15, 1918), went still further in fostering the same general cause.

After the War and the Russian Revolution the middle class, now

stronger than ever before, demanded free development, the destruction of all remnants of the old society, and resistance against imperialist intervention. There was a mushroom growth of periodicals. In Peking there appeared *Hsin Ch'ao Yueh K'an (New Tide Monthly)* and *Nu-li Chou-pao (Endeavor)*, in Shanghai, *Chieh-fang yu Kai-tsao (Emancipation and Reconstruction)*, *Chien she Yueh K'an (Construction)* and *Hsing-ch'i P'ing-lun (Weekly Review)*. New Publications on social science included *Shih-chieh Ts'ung-shu (World Series)*, *K'ung hsueh She Ts'ung-shu (Series of the Society of Confucian Studies)*, *Shang chih Hsueh Hui Ts'ung shu (Series of the Society for Promoting Knowledge)*, *Hsin Chih shih Ts'ung shu (New Knowledge Series)*, *Hsin Shih-tai Ts'ung-shu (Modern Series)* and *Hsin Wen hua Ts'ung-shu (New Culture Series)*.

Though Chinese industrial capitalism was expanding, there survived a small group of wealthy compradore merchants, agents of foreign importers and exporters, who throve at the expense of other groups. Professor Ma Yin-ch'u may be taken as their intellectual representative. In the first volume of his *Lectures on Current Economic Problems of China* (Shanghai, Commercial Press, 1923), he followed Yen Fu in justifying a low tariff rate, in spite of its being harmful to the national economy as a whole in a backward country like China. The progressive bourgeoisie who represented the new industrial capital were united by now under the Kuomintang, and committed to a very different policy.* They hoped to succeed the old bureaucracy in exclusive control over the peasants, and the foreign imperialists in control over the working class. They therefore adopted such of the ideas of scientific socialism as they thought might be useful to them. The middle class did not have to face at once the genuine revolutionary issues thus raised, and so could make a national policy out of the "New Democracy" and the "Three People's Principles."

Soon, however, the issues had to be faced. The Three People's Principles took final shape during the alliance between the Soviet Union and the Kuomintang, which had been reorganized in 1923. Though Sun Yat-sen says in his Preface to the *Three People's Principles* that he had drafted the Principle of Nationalism and part of the Principles of Democracy and Socialism before 1922, the Principle of Socialism went no further, before the First Assembly of the People's representa-

* Hsiung Te-shan, *Study of Chinese Social History*, Shanghai, K'un Lun Book Co., 1929, p. 18.

tives, in 1923, than equalization of landownership The original nationalism had been simply anti-Manchu. The ideas of nationalizing large-scale enterprise and of making equal the five "races" of China (Chinese, Manchu, Mongol, Moslem and Tibetan), like the idea of a frontal struggle for independence against the imperialists, were taken from the Russian Revolution and influenced by Chinese working class demands after 1923

The *Three People's Principles* is well enough known not to need detailed consideration here, but Ho Han-ming's *Social Policies of China* (Shanghai Min Ch'uan Publishing Co., p 144) merits attention as a commentary on the ideas of Sun Yat-sen, both because of its early date (1920) and because the author was an important figure in the Kuomintang at the beginning of the national revolution He accepted socialism, with the reservation that certain of its principles were unsuited to the political and economic backwardness of China, which would do better to pass over capitalism and arrive directly at socialism by developing industry, reforming the political system, limiting capital and protecting the workers All of this expressed ideas long cherished by the middle class, but as real social problems were bound to emerge in the course of setting up a system, Ho Han-ming attempted to discuss the nationalizing of production, the improvement of the status of women and the protection of labor, without going beyond what was acceptable to the middle class

The middle class had learned already that working class support was necessary to its ambitions It attempted to create and control a suitable alliance, the concept of which may even be taken as the key to the later ideas of Sun Yat sen The rapid growth of industry had both increased the numbers of the working class and made it conscious of its own interests Inevitably, some of the workers attempted to follow the Russian Revolution Their demands assumed a more definite class character after the consolidation of the Chinese Communist Youth, founded in Shanghai in 1919, the Labor Union Secretariat founded in 1920, also in Shanghai, and the Chinese Communist Party, launched in Canton in 1922 From 1921 to 1923 there were 22 large-scale railway, mine and shipping strikes, which prepared the way for the Great Revolution of 1925-27.

So long as the workers' movement made headway, revolutionary social science developed rapidly. Many Marxist works were translated and the radical intelligentsia also began to produce original Chinese work Hu Han-min, after introducing historical materialism, attempted

a dialectical analysis of Chinese ethics, in *The Study of Historical Materialism and Ethics* (Shanghai Min Chih Book Co., 1926). Tsai Ho-shen published a *History of the Development of Human Society* (Shanghai, Min Chih Book Co, 1926, p 230), based on Morgan's *Ancient Society*, Marx's *Capital*, Engel's *Origin of the Family, Private Property and the State* and Lafargue's *History of Property* These are the first original Chinese analyses of this kind.

The Leader, edited by Ch'en Tu-hsiu after the discontinuation of *Youth*, in 1922, and the *Chinese Communist Party Monthly*, later called *Revolutionary Party Monthly*, published articles on the mode of production in relation to the stages of social development, and analyzed the relationships of production, pointing the way out for Chinese society and advancing the development of revolutionary social science In the same period of intense activity there began a reaction, producing the theories of the compromisers and revisionists—Anarchism, Guild Socialism and the so called New Democracy Almost all their adherents have been students and professors The New Democracy of Professor Kiang K'ang-hu's *Lectures on Chinese Social Problems* (Shanghai Commercial Press, 1923, p 150) admits the inevitability of socialism but opposes the realization of it by force

The Revolution of 1925 27 solved no real problems The city workers and peasants fell back into their old helpless poverty A 25-per cent reduction in rent ordered by the National Government in 1927 was applied at one time or another in Hupeh, Kiangsu, Hunan and Chekiang, but never for long The landlords opposed it The statute was repeated in 1929, with equal lack of effect[5] The personnel of the ruling class had largely changed, but the social conflict remained the same It was clear that if the revolution were to be renewed, political organization was the immediate need, and for this the study of social science was indispensable.

The radical intelligentsia, active in the revolutionary years, was now curbed in politics, but continued the study of theory and political analysis The first volume of Marx's *Capital* was translated at this time, as were his *Wage-labor and Capital*, *Critique of Political Economy*, *Poverty of Philosophy* and *Eighteenth Brumaire* Other translations included Lenin's *The State and Revolution*, *Development of Capitalism*

[5] *Chung kuo Ching chi Nien chien (Chinese Economic Yearbook)*, Ministry of Industry Shanghai Commercial Press, 1925, Chap VII Also *Tu shu Nien-chien (Yearbook of Publications)*, 1935, Part II, pp 1-116

in Russia, Peasants and Revolution and *Historical Materialism and Empiric Criticism, The Proletarian Revolution and the Renegade Kautsky*, and *Revolution of 1917*; Engel's *Anti-Duhring, Feuerbach, Revolution and Counterrevolution, Peasant War in Germany* and *Origin of the Family, Private Property and the State*, and Bukharin's *Historical Materialism* This is not a complete list, and some of the translations ran to several editions

Original work in Chinese by younger scholars has also helped to establish a new standard of economic, social and political studies, in spite of ruthless official suppression The greatest advance has been in social history, both ancient and more recent, because the character of Chinese society must be thoroughly understood in order to determine the next stages of the social struggle As T'ao Hsi sheng, a Leftist of the Kuomintang, has written in his *Historical Analysis of Chinese Society* (Shanghai, Hsin Sheng-ming Book Co, 1929, p 265):

> Hitherto the Chinese Revolution has been a riddle What is the basis of the revolution—the people as a whole, or the peasants and workers and petty bourgeoisie? And against whom is it directed—imperialism and feudalism, or particular foreign powers and individual war lords? All these questions have raised doubts and debate we must analyze Chinese society, and in order to [do so] we have still to study Chinese history

To meet such demands a group of young radical scholars began in 1930 to issue *Hsin Ssu-ch'ao* (*New Tide*), which was immediately followed by *Bolshevik* Their contributors agreed that Chinese society today is semifeudal Another group maintained, in *T'ung-li* (*Der Motor*), launched in 1931, that it is of a semi-colonial capitalist character Three months after the appearance of *Der Motor* both it and *Bolshevik*, which had first been published secretly, were prohibited They were succeeded by *Tu-shu Tsa-chih* (*The Reader's Miscellany*) This marked a new stage in the study of Chinese social history, though one anticipated to a certain extent by *Hsin Sheng-ming* (*New Life*), representing T'ao Hsi-sheng's group of Left Kuomintang members, and *Ssu-hsiang* (*Thought*), representing a radical group including Hsiung Te-shan and Kuo Mo-jo, whose essays on ancient China began to appear in 1928

Hsiung's *Historical Study of Chinese Society* (Shanghai· K'un-lun Book Co, 1929, p 238) is rather more thorough than T'ao Hsi-sheng's work, as it deals with the development of the land system and of the means of production. Kuo Mo-jo's research work is even more sys-

tematic and well documented His famous *Study of Ancient Chinese Society* was published in 1930 (Shanghai Hsien-tai Book Co, p 333), but the first chapter was printed in 1928, in *Tung fang Tsa-chih* (*Oriental Miscellany*) and the second and third chapters in *Thought*, in the same year The fourth chapter was written in 1929 The book caused a sensation Besides the *Book of Changes*, *Book of Odes* and *Book of History*, among the Classics, Kuo Mo-jo used the "Oracle Bones" from sites in Honan belonging to the second and first millennium B C, and the inscriptions on bronze of the Chou dynasty, some of them as old as 700 or 800 B C

Lo Chen-yu had begun the study of the Oracle Bones 30 years before, but, though a very great collector, lack of scientific method had prevented him and others from producing much except philological comment Kuo Mo-jo was the first to analyze the materials scientifically J C Ferguson, an American critic, has called him

> an explorer who has brought with him from the realm of poetry what Ruskin has called the faculty of imaginative penetration He has recreated the ancient world of small kingdoms and principalities This work has involved such an immense amount of research and compilation that one wonders how Mr Kuo has had the physical energy to perform the necessary labor (*Quarterly Bulletin of Chinese Bibliography* Vol 2, No 4, Dec 1935, p 139)

At this point begins the true modern period in Chinese social science The theories of the leading authorities, and the terms they apply to different periods, are indicated in the table on the opposite page, the idea of which I owe to Dr K A Wittfogel The table itself is based on the following material

Kuo Mo-jo *Study of Ancient Chinese Society*, see especially p 22

T'ao Hsi-sheng *Study of Chinese Social History* Originally delivered as lectures at Peking National University The Preface is important because Professor T'ao has revised his opinion more than once and this represents his theories in their latest form The following additional works by him are important *Explanation of Chinese Social Phenomena* (1931), *History of Chinese Political Thought* (1932-35), and *Economic History of the T'ang Dynasty* (1936)

Li Chi "Criticisms and Contributions to the Debate on Chinese Social History," sponsored by the *Reader's Miscellany*, Vol 2, March 1932, pp 14 15 Mr Li uses the terms "primitive communist mode of production," "feudal mode of production," "Asiatic mode of production" and "capitalistic mode of production"

Wang Yi-chang "History of Chinese Slave Society" and "History of Chinese Feudal Society," contributed to the same series in the *Reader's Miscellany*, Vol 3, Aug 1932 and March 1933

HU CH'IU-YUAN "Draft of the Development of Chinese Social Culture," same series, Vol 3, March 1933

CHI CH'AO-TING *Key Economic Areas in Chinese History* London Allen and Unwin, 1936, p 164 Dr Chi's analysis begins with the Chou period and therefore does not apply to the pre-Hsia, Hsia and Shang-Yin periods listed in the table "Semi feudalism," as he uses the term, is substantially identical with "Oriental Society"[6]

CHEN SHAO-CHIANG *Study of the Social Economy of the Early Han Dynasty* Shanghai Hsin Sheng-ming Book Co, 1936 His term, "outer capitalistic society," is practically equivalent to "colonial capitalistic society"

In addition to the material used in compiling this table, the following, listed in chronological order, are important

LI TA *The Industrial Revolution in China* (1929)

CHU HSIN-FAN *Development of Capitalism in China* (1930)

LI CHI "Criticisms of Hu Shih's Outline of Chinese Philosophical History," and, in the series sponsored by the *Reader's Miscellany*, "Criticisms and Contributions to the Debate on Chinese Social History" (1931)

YEN LIN-FENG *The Study of Chinese Economic Problems* (1931) and *Pursuit and Counterattack* (1932)

TSAI HSUEN-TSUN *The Peasant War in Chinese History* (1933).

CHANG SHAO-MING *Land Problems in Chinese History* (1933)

CHEN HAN-SENG *The Present Agrarian Problem in China* (1933).

WAN KUO-TING *History of the Land System of China* (1934).

MA CHENG-FENG *Economic History of China* (1934)

Among these authors there are differing opinions on the character of the period from the foundation of the Ch'in dynasty in B C 255 (the beginning of the imperial system) to the beginning of Western domination in 1842 Li Chi assumes a pre-capitalistic mode of production, T'ao Hsi-sheng a developed feudalism modified by commercial capitalism, and Wang Yi-ch'ang a slave society evolving into feudalism "Pre capitalism" should apply, properly, to the period of transition from feudalism to capitalism, while commercial capital may exist in several of the stages of development of society and does not of itself create any special mode of production A scientific analysis must not be based on the mode of circulation but on the mode of production It was this that led to the discovery of a specific "Oriental society," based on artificial irrigation and kept together and centralized by a large-scale development of public works. Peasants comprise the main strength of

[6] For a partial presentation of Dr Chi's material and conclusions, see also his "The Economic Basis of Unity and Division in Chinese History," PACIFIC AFFAIRS, Vol VII, No 4, December 1934

its working class, controlled by an official bureaucracy the typical members of which are at the same time landed proprietors.[7]

Official suppression of the new social science in China reached the severest pitch when attempted mass movements followed the Japanese invasion of Manchuria in 1931. Thousands of books were banned and writers prevented from working in China. Some scholars abandoned "dangerous thought", others, connected with political and educational institutions, anxiously turned the attention of their students away from current problems, back to the past. Material was accumulated, but methods neglected. This is the prevailing tendency in *Shih huo (Food and Commodities)*, published semimonthly by the Hsin Sheng-ming Book Co., Shanghai, and edited by T'ao Hsi-sheng. In Vol. 1, No. 5, Feb. 5, 1935, T'ang Hsiang-lung announced the intention of collecting and arranging materials, without interpretation or analysis, for 30 years. Fortunately, T'ao Hsi-sheng himself has changed his attitude in this respect and has begun to publish articles on theory and method, and the journal now holds an unrivalled position in the study of Chinese economic history.

The collecting of facts for the investigation of current problems, like the collecting of historical material, has often been marred by evasion of the analysis that is vitally necessary. The Chinese middle classes have pursued a policy of moderate social reform and carefully limited "reconstruction." This has colored the social and economic research of Government and private institutions, but nevertheless the advance of the Chinese revolution has not been without influence.

In 1914-15 the Society for Social Improvement in Peking made a simple statistical study of the life of 302 rickshaw pullers. In 1917, Professor C. G. Dittmer of Tsinghua University directed a study of 150 peasant families near Peking. In 1918-19 Professors S. D. Gamble and J. S. Burgess made a social survey of Peking city, and Professor D. S. Kulp and his students, at Hu Kiang University, studied 650 farmers at Fenghuangts'un, Kuangtung. In 1922 G. B. Malone and J. B. Taylor, with 61 students from nine universities, surveyed 240

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[7] We cannot treat here in detail the different phases of the conception as developed by Hegel, Ritter, Bernier, Marx, Engels, and, recently, by Varga, Madjar, and Chi Ch'ao-ting.

The general theory of the Oriental society, and its particular application to China, have been most systematically developed by K. A. Wittfogel in his *Wirtschaft und Gesellschaft Chinas*, Leipzig, 1931. See also his 'Foundations and Stages of Chinese Economic History,' cited under footnote 1 above, and '*Die Theorie der Orientalischen Gesellschaft*,' *Zeitschrift für Sozialforschung*, Vol. VII, No. 1/2.

villages in five provinces. In 1922-23 Professor J L Buck of Chinling University surveyed 102 farms in Anhui and 150 in Hopei At the same time Professor T C Blaisdell and Chu Chi-chuan studied Peking rug weavers and Professor Ch'en Ta, of Tsinghua University, studied the village of Chengts'un, near Peking, and 56 families in Anhui

After the revolutionary interval of 1925-27, the Institute of Social Research of Peiping, founded in 1020, published in 1030 surveys of the life of workers and school teachers in Peiping and of workers in Tangku (an extension of the port of Tientsin) The Nankai Institute of Economics (Nankai University), cooperating with the Peiping Institute of Social Research, studied 200 worker families and rug factories in Tientsin and 250 mill worker families in Shanghai In 1934 it surveyed flour mills in Tientsin and rural industry in Kaoyang (Hopei) The Institute of Research in Social Science of the Academia Sinica published material on rural life in Manchuria in 1928, on the life of workers in Shanghai in 1929 and on villages in the Wusih district in 1931 The first and last of these projects were directed by Chen Han-seng In 1934-35 the Nanking Government's Committee on the Reconstruction of Rural Economy published material on rural life in Kiangsu, Honan, Shensi and Yunnan provinces In 1934-35 also the Sun Yat-sen Institute for the Advancement of Culture and Education, at Nanking, published large-scale surveys of the economic structure of villages in Kuangtung (directed by Chen Han-seng) and of rural wage labor (directed by Chen Cheng-mu)

Almost all of these surveys, except those directed by Chen Han-seng, suffered from lack of scientific method, obscuring the real social antagonisms Some of the work done by Government institutions was particularly disappointing In Chinese economic history, the Peiping Institute of Social Research, under Dr L K Tao, produced nothing for several years except a study of the financial problems of the Tao Kuang and Hsien Feng periods (1821-61) Nankai produced richer results, despite a certain deliberate limitation of scope

Yet the study of modern problems did not cease. Japan's invasion of Manchuria in 1931 intensified China's rural distress and indirectly promoted research on social and economic problems The interests of foreign capital also came into play, because there could be no opportunity for sound investments while rural conditions remained so disturbed Magazines like *Chung-kuo Ching-chi (Chinese Economy)*[8] and *Chung-*

[8] See *Nankai Institute of Economics Its History and Works 1927-36* Tientsin Nankai Institute of Economics, 1937 (In English)

kuo Nung ts'un (*The Chinese Village*), beginning in 1933, organized young scholars to study peasant and land questions, the mode of agricultural production and Chinese production relationships

Chen Han seng has now published *The Power of Production and Relationships of Production in the Villages of Kuangtung Province* (Nanking Sun Yat sen Institute, 1934, p 89). The American Council of the Institute of Pacific Relations published a translation in 1937, edited by Bruno Lasker, under the title *Agrarian Problems in Southernmost China* The work was done under the auspices of the Sun Yat sen Institute and Lingnan University, Canton, and the China Council of the Institute of Pacific Relations. Denouncing technical statistics, Chen Han seng lays down the rule that

> whoever wants to study village economy should pursue and find out the fundamental reason which hinders the development of the power of production in the village the solution must be sought in the fundamental factor—the relationships of production within the village

This summarizes the major problem of China and the major duty of Chinese research in social science The genesis of modern social science in China was first hindered and then limited in development by the heritage of the Oriental society The new social science has matured with the changing of Chinese society, but it will only reach its full creative power when all the other creative forces in Chinese society are set free

Nankai University, July 1937

COMMENT AND CORRESPONDENCE

AMERICA'S INTEREST AND BRITAIN'S POLICY[1]

THROUGH the years since the founding of the American republic there has been evolved a policy of isolation and non-involvement It is a policy to which the average American instinctively turns first when he thinks of foreign policy and the outer world

Conscious of America's world position, Theodore Roosevelt was one of the first presidents frankly to face the practical problem of fitting American foreign policy into the world as it is It is now known that he finally came to the conception that American security required a balance of power in Europe and Asia This conception was at the base of his foreign policy and, as a matter of fact, this policy has also become instinctive with the average American citizen, although he is not always aware of it Whenever the balance in Europe or Asia has been threatened or upset, America has usually been found on the side against the disturbing power. Illustrations of this may be found in American sympathy and diplomatic cooperation with Japan in the events leading up to the Russo-Japanese War, when Russia's ambitions were upsetting the balance of Asia. Again in the World War America stood with the Entente against the Central Powers and entered the war when there was acute danger that Germany would upset the balance of Europe The United States is now sympathetic to China and opposed to the Berlin-Rome-Tokyo axis, and for the same reason.

Although the average American citizen will agree that this in general accurately diagnoses his instincts and the consequent foreign policies of his country, he does not realize that the two ideas of isolation and non involvement on the one hand, and balance of power in Europe and Asia on the other, are contradictory. If he analyzed himself he would find that he is constantly torn by the desire to stay aloof and to intervene, because both have to do with his security He has not yet seen his way through the dilemma Some one has well said that England's policy through the centuries has been balance of power on the basis of isolation in peace, entente in crisis, alliance in war. Will America work itself out of the dilemma into some such coordination?

[1] The substance of remarks made at a conference on American Far Eastern Policy in San Francisco, under the auspices of the American Council, Institute of Pacific Relations

Although some may urge that the United States has always had its face turned toward Europe and its back to Asia, it is doubtful whether this view can be entirely substantiated A few recent examples may throw light upon this conception Before it entered the World War, America was building a navy second to none It had an eye to Asia as well as Europe The Entente was concerned in keeping Japan in its fold But as the United States entered the war, it felt it had to have assurances on Japan's behavior in Asia while America was involved in Europe This gives the setting not only for the variously interpreted Lansing-Ishii Agreement of 1917, but the moves which led to American participation in the intervention in Siberia in 1918 and the International Consortium in 1919, as well as the Washington Conference in 1922 In all this there appears one line of thought—not to allow Japan to take advantage of the World War to upset the balance in Asia and the Pacific At the Washington Conference, besides the well known commitments to which Japan subscribed with regard to China and the Pacific, there was the following little-known commitment

> In conclusion, the Japanese Delegation is authorized to declare that it is the fixed and settled policy of Japan to respect the territorial integrity of Russia and to observe the principle of non intervention in the internal affairs of that country, as well as the principle of equal opportunity for the commerce and industry of all nations in every part of the Russian possessions

It is not generally known that this was the result of over three years' pressure upon Japan by American diplomacy When one views this alongside the commitments "to respect the sovereignty, the independence and the territorial and administrative integrity of China," and the Open Door in China, as well as the status quo in the Pacific and the dissolution of the Anglo-Japanese Alliance, he is bound to conclude that America was applying a policy of balance of power in Asia For Japan to dominate China, control Eastern Siberia, and build a fleet capable of threatening America's position in the Pacific would have menaced the security of the United States.

At the same time in Europe America decisively helped to defeat Germany and, although it did not subscribe to the Treaty of Versailles, it did sign a treaty of peace with Germany which left the Versailles settlement untouched as to all the parts which affected American security American opposition to French hegemony in Europe after the war belonged to the same category The United States instinctively

(as did the English) ranged itself on the other side. And now America is opposed to a Nazi Germany, which it suspects of having ambitions of dominating Europe.

The cycle of events which began in Manchuria in 1931 and is far from ended yet, resulted in the initiative in world politics passing from the democracies to the dictatorships. The democracies are clearly in retreat. The remedy for the situation is probably internal. It may be generalized as the crucial need for the average citizen of the democracies to give up wanting the impossible in our present romantic age. Expressed in terms of foreign policy, this romanticism means the hope of getting peace by paying any price for it.

Through the centuries, England's policy has traditionally been one of balance of power, operated through the tactics of isolation in peace, entente in crisis, alliance in war. At least one dominant faction of British statesmen saw the League of Nations as a useful instrument in this policy, even if others, like Eden, believed that the League supplied the basis of a new policy for England, namely collective security. Ever since the creation of the League there has been conflict behind the scenes of British statesmanship about this. Now the one view and then the other appeared to have the upper hand, until Chamberlain delivered the final blow to the idea of collective security. This has left England with a choice between the policies of balance of power, isolation or "befriending the strong."

Isolation apparently is ruled out because the British Empire with its far-flung cares cannot stand alone in a crisis like the present. On the other hand, the policy of balance of power is instinctive in the British mind and it is the one to which it might be expected automatically to turn.

If we examine the application of this policy of balance of power, we find that until the end of the 19th century England dominated the seas and applied the policy in Europe with great success. Until then America and Japan did not play a decisive role in the situation. The domination of the seas and the absence of America and Japan were vital in the success of the policy. When the World War transformed the scene, England no longer dominated the seas, the United States was the greatest world power, and Japan loomed paramount in the Far East. The original basis which gave success to England's policy of balance of power has disappeared. This is a fact which has not yet been grasped with sufficient understanding. If Germany dominates Europe, Italy controls the Mediterranean and Red Seas, as well as

northern Africa, and Japan is paramount in Asia and the Pacific, where is the basis of a policy of balance of power? Is it in a series of pacts with Italy, Germany, and Japan, virtually accepting this situation, or is it in closer understandings with France, Soviet Russia, the minor states of Europe, the United States, and China?

The Anti-Comintern Pact, which Baron Ida, its chief sponsor in Japan, intimated would lead to a world Fascist league of nations, is being viewed increasingly, in spite of its allegedly harmless externals, as being aimed less against the Comintern than against the interests in Europe and Asia of the non-Communist democracies. China has been invited to join it in the last terms of peace offered by Japan. Austria and Hungary were invited to join it not long ago. It is reported that the Japanese Minister of Foreign Affairs in a speech in the Diet invited the United States to adhere to the Pact. And Ribbentrop, while ambassador to London, extended the invitation to England.

Since there is good ground for assuming that the objectives of Germany, Japan, and Italy are approximately as stated above, how should the Chamberlain policy of "appeasement" be interpreted? It has already led to a pact with Italy in which it is reliably reported *vital* rights were yielded, while England retained only *essential* rights in the Mediterranean and the Red seas. Similar pacts with Germany and Japan are projected. In each case there must be vital concessions by England and deals on spheres of influence.

There are some who at first maintained that the policy of "appeasement" was essentially that of balance of power, with the ultimate objective of breaking the Berlin-Rome Axis. There are others who see in it a complete shift to one of "befriending the strong," on a class basis. They see England gradually becoming Fascist, while the Fascist powers fight it out with Soviet Russia, the desired result in this case being the break-up of Bolshevik Russia and the exhaustion of the Fascist powers, with England holding a mortgage on the latter.

It may be observed that the first interpretation lacks a sound basis, in that balance of power has little or no terrain on which to operate if vital concessions are made to Italy, Germany, and Japan. The Axis is being strengthened instead of broken. There is still too much to be gained by the Axis before it quarrels over the spoils. The other interpretation appears to be too clever and subtle. For Germany, Japan, and Italy to partition Russia would mean giving them virtual control of the natural resources of three continents. If they can accomplish that, it is doubtful whether England will get a mortgage on them.

Perhaps neither of these interpretations is the valid one It may be that England is again muddling along, hoping against hope that as it completes its armament the situation will turn somehow in its favor Perhaps the average English citizen does not agree with Chamberlain, but he is willing to let him try his solution for the dilemma on his own responsibility, even at the cost of peace at any price In any case, the reverberations of this latest shift in British policy are likely to push America and Russia toward isolation, instead of parallel or cooperative action to make a stand somewhere before it is too late

ROBERT J. KERNER
University of California, May 1938

THE MOSCOW TRIALS

To the Editor of PACIFIC AFFAIRS:

SIR

I read with interest and with strong disagreement Miss Mary van Kleeck's contribution to the June issue of PACIFIC AFFAIRS, accepting the testimony and verdict at the latest Moscow treason and sabotage trial as genuine and hailing the verdict as a "victory for the democratic nations" In view of the hospitality of PACIFIC AFFAIRS to divergent viewpoints I should appreciate an opportunity to state the reasons why I believe that all the Moscow political trials of the last decade have been profoundly untrustworthy in general and demonstrably fraudulent in many important details I have attended several of these trials personally and have closely followed the reports of the three outstanding trials, affecting prominent Communists, which have taken place since I left the Soviet Union These last trials have faithfully preserved certain unfailing characteristics of their predecessors, characteristics which seem to me to justify the greatest skepticism and reserve in accepting their conclusions as valid. These are:

(1) Complete absence of independent testimony and of documentary evidence The Government's case always rests primarily on the confessions of defendants who have been held in prison for months or years, with some secondary support from witnesses who incriminate themselves by their testimony, who are usually brought from prison to testify.

Many foreign engineers and industrial and agricultural experts have been employed as consultants in the Soviet Union; not one of them has

ever been called as an independent expert witness on the reality of the alleged acts of sabotage and wrecking

And it is surely surprising that a long series of alleged plots, extending over many years and including communication with several foreign governments, has not yielded a scrap of documentary evidence in the shape of letters, memoranda, minutes of meetings, etc So the confessions and mutual incriminations of the accused have no corroborative evidence Now even Soviet textbooks on judicial procedure characterize confessions by accused persons and denunciations of alleged accomplices as "the least meritorious form of evidence" This is certainly true in the Soviet Union, where a law passed in June 1934 prescribes banishment for the innocent relatives of any Soviet citizen who escapes from the country, where reprisals against the families and relatives of persons in disfavor are a notorious feature of administrative procedure One of the defendants in the March trial, the physician Levin, threw a rather ghastly light on the realities of Soviet life when he testified that his obedience to the poisoning instructions of the former head of the OGPU, Yagoda, was motivated by the consideration that the latter could have destroyed his whole family There is no reason to suppose that Yagoda's successor, Yezhov, is any more squeamish when it is a question of obtaining desired confessions

(2) In all Soviet political trials, especially in the last three, there is a striking contrast between the magnitude of the confessions and the meagerness of the results achieved Here are men who talk glibly of planning to overthrow the Soviet Government, of making alliances and agreements with foreign powers, and what have they to show for their activity? A few wrecks on railways and explosions in factories, which might have been the result of incompetence just as easily as of malice, the dubious poisoning of four persons, Menzhinsky, Kuibishev, Gorky and the latter's son-in-law, not one of whom was in a key position in the Stalinite regime, the killing of Stalin's Leningrad lieutenant, Kirov The explanation of Kirov's assassination has been changed so often, in conformity with the exigencies of each new trial, that no one can feel sure which, if any, of the versions is correct.

(3) Frequent gross discrepancies between the "confessions" of the accused and those few facts which are open to critical examination In Soviet political trials, where both the defendants and their lawyers, with rare exceptions, obediently confirm whatever the prosecutor states, serious factual examination is only possible when persons living abroad and events occurring outside the Soviet Union are brought into the case

But here the Soviet prosecution has stumbled again and again In the trial of the so-called Industrial Party, in 1930, two Russian emigres who had been dead for years before the "plot" in which they were supposed to have participated was alleged to take place, P P Ryabushinsky and Vishnegradsky, were mentioned as prospective members of a counter-revolutionary Cabinet which was to replace the Soviet regime In the first of the big trials of opposition Communists one of the defendants, Holtzmann, testified that he had talked with Trotsky in the Hotel Bristol in Copenhagen, a hotel which had burned down many years before the "talk" is supposed to have occurred In the second trial Pyatakov described a trip to Oslo to meet Trotsky in an airplane, the Norwegian civil aviation authorities denied that any airplane had arrived in Oslo during the month of Pyatakov's alleged "visit." Considerations of space forbid any further recapitulation of the many downright and demonstrable falsehoods in the testimony, but the foregoing typical examples would surely indicate the advisability of caution in accepting the confessions as genuine

(4) The behavior of the defendants, especially in the trials of opposition Communists, simply does not make sense psychologically Grant for a moment that the charges against them are true Grant also that for some reason, despite the absence of independent witnesses and documentary evidence, they decided that it was useless to deny their guilt Is it conceivable (except on the basis of some very strong and very sinister pressure, physical, or moral, or both) that not one of these men should have taken the opportunity to attempt the sole possible justification of his acts by denouncing Stalin and his regime? Is the universal grovelling repentance of some fifty men, most of whom had behind them long revolutionary careers, many of whom had held the highest posts in the Soviet state, plausible, except on the assumption of some hidden pressure which invalidates the trials? Why should imprisonment and prospective death make them think better of Stalin and his system, which they had been willing to use any means to overthrow?

I am frankly puzzled as to how Miss van Kleeck can overlook all these considerations and assume the complete credibility of the trials I am also puzzled as to how she can regard the systematic and protracted killing of individuals whom Stalin, rightly or wrongly, regarded as political opponents and potentially dangerous rivals, as a triumph of the Russian masses and the democratic countries. The Russian masses had nothing whatever to do with the whole affair; it is doubtful whether more than a hundred people took part in the arrests, the trials and the

executions; the masses read about the trials in the controlled press and accepted them, credulously or skeptically, as one of the unavoidable features of Soviet life

And what bond is there between Stalin's dictatorship and any democratic country? If a regime were set up in Russia which called itself fascist instead of communist it certainly could not surpass the record of the present dictatorship in suppressing most of the things which honest democrats prize freedom of press, speech, election and assembly, freedom from arbitrary arrest and administrative sentence to forced labor, or even to execution without public trial, for instance Bad as the record of the fascist countries is in such matters as political executions and placing opponents in concentration camps, that of the Soviet Union is much worse As a liberal and democrat I felt no impulse to celebrate Hitler's "purge" of June 30, 1934, I can see no more reason for celebrating Stalin's far more protracted and far more sanguinary purge, which has gone on for two years without showing signs of coming to an end

WILLIAM HENRY CHAMBERLIN
Tokyo, June 1938

MR CHAMBERLIN's successor as Moscow correspondent of the *Christian Science Monitor*, Demaree Bess, has published in the *Saturday Evening Post*, which is hardly a pro-Soviet organ, the story of an American engineer working for the Soviet Government This foreigner, though not "called as an independent expert witness," describes how his work was hampered by men who were later convicted of sabotage

Why should Mr Chamberlin be surprised that no letters, memoranda or minutes of meetings of the conspirators were adduced in evidence? The testimony makes it clear by inference that the work of all the conspirators interlocked so closely with that of loyal citizens that, if they had risked much in writing, they would have been caught much sooner [1] As for the suggestion that the new head of the secret service is likely to abuse his power just as Yagoda did, it is obvious that the publicity given in the Soviet Union itself to Yagoda's turpitude is a safeguard against any such thing

Mr Chamberlin's remarks about the "striking contrast between the magnitude of the confessions and the meagerness of the results" are too rhetorical The verbatim records of the trials are entirely credible in the way they describe the descent from grandiose ideas to futile deeds. The

[1] See review (p 401) by J N Hazard of proceedings of the Bukharin trial

ideas were so grandiose that they could not have been carried out except with enthusiastic popular backing It requires no adroit casuistry to conclude that, apart altogether from disputes over theory, the majority of the people in the Soviet Union are unwilling to risk the improved life which they are beginning to enjoy, after the sufferings first of the Revolution and then of the "undeclared civil war" of the Five-Year Plans. The authorities are beginning to make good on the promises of reward held out for the sacrifices necessary to establish Socialism in a country with unorganized resources Those rewards, though not yet dazzlingly great, are so widely distributed that no general revolt in the face of visibly growing success could possibly be expected except by emotionally biased antagonists like Trotsky.

The "gross discrepancies" in evidence to which Mr. Chamberlin refers appear to be subjective Where conspirators within a country are in only intermittent and furtive contact with exiles abroad, it is hardly a "gross discrepancy" to count on the future aid of exile accomplices whom you do not yet know to be dead Nor am I emotionally disturbed by the fact that the Norwegian authorities denied the inconvenient airplane that came to Oslo This seems to me a not very hair-raising example of diplomatic usage In much more acutely uncomfortable circumstances, it may be recalled, the British Government was unable even to imagine what submarines could be torpedoing British ships off the ports of Spain.

Then we come to the well-known phenomena of "sinister pressure" and "grovelling repentance " In reading the verbatim reports of the trials, I naturally went over most closely the testimony and confessions of the only two of the accused whom I had ever met personally, because these were men whom I could to some extent visualize They were Radek and Rakovsky I think that the distinguished personage of the IPR in whose company I called on Radek, and the British diplomat in whose house I met Rakovsky, would both agree that there was nothing out of character in the testimony of either man Both of them not only gave perfectly coherent evidence, but psychologically convincing accounts of the way in which they were enmeshed.

The real point, of course, for those who live in democratic countries, is whether the discovery of the conspiracies was a triumph for democracy or not I think that this can easily be determined. The accounts of the most widely read Moscow correspondents all emphasize that since the close scrutiny of every person in a responsible position, following the trials, a great many abuses have been discovered *and rectified* A lot depends on whether you emphasize the discovery of the abuse or the

rectification of it, but habitual rectification can hardly do anything to give the ordinary citizen more courage to protest, loudly, whenever in future he finds himself being victimized by "someone in the Party" or "someone in the Government" That sounds to me like democracy

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THE STANDARD OF LIVING IN THE SOVIET UNION

To the Editor of PACIFIC AFFAIRS

SIR

With regard to the production of bread grains per head of population Mr Cunniff argues from the fact that the average figure of 613 pounds for the five prewar years 1909-13 had risen to 697 pounds in 1935 to prove a great improvement in the level attained by collectivized agriculture But 1935 was a single good year and if we compare it with 1913, which was also a good year, we arrive at the following

(1) HARVEST YIELDS AND GRAIN AVAILABLE PER HEAD OF POPULATION

	Gross harvest of wheat and rye (million quintals)	Population (millions)	Bread grains per head of population (kilograms)
1913	465	139	334 5
1935	522	166	314 4

(2) YIELDS PER HECTARE (IN QUINTALS)

	Winter wheat	Spring wheat	Rye
1913	10 4	7 6	8 2
1935	9 6	7 7	9 1

(Figures for 1913 taken from *Die Krise der Sozialistischen Landwirtschaft in der Sowjetunion*, by Dr Otto Schiller)

It should be remembered that in 1933 the so-called "Metrovka" system of computing the harvest was adopted The yield is estimated before the grain is cut and an arbitrary allowance of 10 per cent made for unavoidable harvesting losses This certainly gives scope for optimism, besides, harvesting losses on the average are more than 10 per cent According to some authorities, including Professor Prokopovich, a further deduction of some 10 per cent should be allowed to bring the official estimates for 1933 and the following years into proper accord with the harvest estimates of previous years, based on the actual ascertained quantity of grain threshed and garnered.

The harvest of 1937 was exceptionally good, but no definitive results have yet been published. In round figures the total grain harvest is said to have been about 110 million tons. On the other hand 1936 was a poor year and though no statistical figures have yet been issued it is known that the grain harvest was much below 1935. Taking one year with another, and not picking out particularly good years, there is no very conclusive evidence that collectivized agriculture has resulted in a marked improvement in the ability to grow grain crops.

If 1916 was an abnormal year for livestock, 1922 was also abnormal, but in the opposite direction, for the civil war and war communism had caused a considerable decline in the country's animal population. It is interesting to compare the figures for 1922, 1928 and 1936.

(3) Livestock (in Millions)

	Horses	Cattle	Sheep and goats	Pigs
1922	24.1	45.8	91.1	12.1
1928	33.5	70.5	146.7	26.0
1936	16.6	56.5	73.3	30.4

(Data for 1922 and 1928 from *Livestock Rearing in the U.S.S.R. in Figures*, Central Statistical Department, Moscow, 1932.)

It is remarkable how during the six years 1922-1928 the still independent peasants succeeded in regaining and even surpassing the figures for the admittedly abnormal year 1916, but in the following eight years under collectivization all livestock except pigs declined.

(4) Livestock per 100 of Human Population

	Horses	Cattle	Sheep and goats	Pigs
1913	20.9	30.7	50.6	9.9
1936	10	34	44	18

(1913 data for the whole of prewar Russia from *Perspectives of the Development of Agriculture in the U.S.S.R.*, Moscow, 1924.)

In his figures for consumption per head Mr. Canniff quotes only salt, sugar, cotton fabrics and electricity. Since the production of these commodities has undoubtedly increased it may be assumed that consumption has also increased more or less in proportion. But with regard to cotton fabrics no allowance is apparently made for imports of textiles before the war nor for the production in Poland and the Baltic Provinces. True, the peasants and workers could not afford imported goods, but all imports must have increased the per capita consumption of textiles. Also no mention is made of the "kustarny" output of home-

spun linen and woolen cloth which played a considerable part in clothing the rural population Finally, to give a balanced picture the figures for woolen cloth and boots, at least, ought to be included

The statistics for education in Soviet Russia are, admittedly, impressive, but in comparing the prewar with the latest available returns of illiteracy it should be remembered that during the last ten years or so before the war educational facilities were vastly extended and illiteracy among the younger generation had been reduced to a comparatively modest figure. In the higher educational institutions there is also the question of quality to be considered. Although many times the number of prewar students are now graduating from the Soviet Universities and High Schools the all-round standard is certainly inferior to prewar

If the peasant pays less in monetary taxation than before the war—in the budget estimates for 1936 the agricultural tax was down to yield R 650 million and the building levy on the rural population R 530 million, a not inconsiderable total sum—he pays indirectly a large part of the total budget revenue The budget for 1937 estimated a yield of R 24,106 million from the turnover tax on agricultural collections and R 20,387 million from the turnover tax on the products of food industry—in all, over R 44,000 million. Obviously the greater part, if not practically the whole, of this amount consists of the difference between the price paid to the peasants for their produce and the price at which the resulting food and manufactured goods are sold to the consumer For instance the retail price of bread is almost exactly ten times the price of the same weight of wheat or rye received by the peasants The ratio between the price of bread and the wholesale price of the same weight of wheat in England is approximately 2 5 1

The average net money income per head of the rural population was about R 300 in 1935, judging by an article in *Planned Economy*, No. 6 of 1936 Out of this must be bought tea, sugar and any other form of food not provided by the collective farm, household requisites such as matches, kerosene and soap and clothing. Since a pair of serviceable boots costs at least R. 150, a suit of clothes about R 400 sugar about R. 3 60 the kilo, and other things in about the same proportion, it is obvious that the peasants cannot afford a great deal in the way of manufactured goods The town worker with an average income of R 3,000 a year has to pay away at least 20 per cent in taxes state loan subscriptions, rent, rates, etc (and if rent seems absolutely cheap it is dear in relation to the space occupied). To cover all other costs of living there remains about R. 2,400, or R. 200 a month In a

Soviet publication, *Towards a New State in Socialist Construction*, 1930, the following is given as a typical worker's consumption of food in November 1928.

(5) WORKER'S FOOD CONSUMPTION

	Kilo
Bread (wheat and rye in terms of flour)	8 99
Groats	1 00
Potatoes	9 59
Other vegetables	4 06
Meats and fats	4 88
Milk	3 80
Eggs	0 21
Butter	0 23
Sugar	1 25
Vegetable oil	0 25
Salt	0 48

the total cost being R 12 48 and the average wage less than R 60 a month

In 1936 the same quantities would have cost over R. 90, the wage being R 200 In 1928 the cost would have been about 21 per cent of the worker's income, in 1936, 45 per cent The question, of course, is whether this calculation gives a more correct answer to the question whether the standard of living has risen or not, than a calculation based on the production of food per head of population It may be added that the prices of manufactured goods rose between 1928 and 1936 in at least the same proportion as the prices of food

If the Soviet Government would publish a cost-of-living and a retail-price index it would help to clear up a good deal of doubt and settle controversy The fact that no statistics are published from which movements in the average standard of living can be seen, is bound to lead to doubts whether the standard of living has really improved to any material degree

The statement that the Soviet ruble, spent in the Soviet Union, buys far more than it would if exchanged into British or American currency and spent in London or New York, is simply fantastic nonsense * At the official rate of exchange (which presumably is meant) the English pound is worth about R. 26, that is to say the ruble is worth about 9d Is it alleged that a ruble will buy more in Moscow than 9d will in London? If so how can the following prices be reconciled?

* The statement to this effect in Mr Canniff's original article must not be attributed to Mr Canniff (See his reply below) It was distorted by an editorial mistake in attempting to condense Mr Canniff's original statement —ED

(6) Prices in Soviet Union and England

(The following ruble prices are partly derived from the decrees fixing the prices of food stuffs and partly from prices actually collected by independent observers in shops in Moscow and other towns.)

		Equivalent in London
Wheat bread per Kilo	R 1 20	A quartern loaf would cost about 2s 2d instead of 8d or 9d
Butter per Kilo	R 20 00	A pound would cost about 7s instead of about 1s 4d
Sugar per Kilo	R 3 60	A pound would cost about 1s 2d instead of about 3½d
Tea per Kilo	R 100	A pound would cost about 34s instead of about 2s 4d
Beef (average cut) per Kilo	R 1[illegible]	A pound would cost about 3s 3d instead of about 1s 2d
A man's ready made suit of woolen cloth, poor quality	R 450	About £17 instead of £4
A pair of men's shoes, leather	R 16[illegible]	About £[illegible] instead of £1
A man's shirt, calico	R 4[illegible]	About 3[illegible]s instead of 1[illegible]s

It is also instructive to regard these prices in relation to the average Soviet wage converted into English pounds. The equivalent of R 3,000 at the official rate of exchange is about £112 10s. Imagine an English working man earning about £2 2s a week being asked to pay the above prices. It must also be remembered that the quality of the Russian goods is much inferior to that of English goods at the prices quoted. For instance the man's suit would in material, cut and finish correspond more to the 30 shilling reach-me-down in a poor part of East London than to the £4 ready-made sold by the mass production tailors.

L. F. Hubbard
London, May 1935

To the Editor of Pacific Affairs:

Sir:

Mr. Hubbard suggests that I exaggerate the harvest yield in the Soviet Union because he agrees with "some authorities, including Professor Prokopovich," that the "Metrovka" system of computation results in inflated estimates. Can it be that Mr. Hubbard, relying on "some authorities, including Professor Prokopovich," has not investigated the Metrovka system closely enough? It is in fact not so much a system of estimates as a method of checking estimates. The facts are as follows:

In Tsarist Russia the grain yield was estimated by the numerous

correspondents of the Central Statistical Service, whose reports represented their personal opinions. As they were mostly officials, teachers, merchants and farmers above the average level, and as the fields of the poor peasants were always much lower in yield than those of the Kulaks and landowners, it is likely that their estimates tended to be larger than the average actual yield In 1933 the Soviet Government introduced the following system There is a State Central Committee on Yields, under which are the inter regional committees of more than 2,000 regions These committees receive reports on harvest yields from all collective farms, of which there are more than 240,000 This gives the net for gathering information a much closer mesh than before 1917 The reports list separate figures for yields of winter and spring cereals and for the cereals characteristic of each region. In order to check these estimates, many sample cuttings of one square meter of cereals, taken from many collectives and threshed out to show the grain yield, are taken This is the Metrovka The chairman of the State Central Committee on Yields stated in 1933 that even after deduction of 10 per cent for losses the Metrovka represents only an upper limit of the possible yield ("verkhnimin priderzhku") Further checks are provided by threshing results in from 20 to 25 per cent of the collectives and by data on the threshing in all collectives which are available in August Still further methods of checking the estimates are provided by meteorological data and data on the technique of cultivation. The rapid technical development of agriculture in the Soviet Union might have suggested to Mr. Hubbard that the authoritative Professor Prokopovich's estimates of 20 per-cent losses in harvesting would be more appropriate for harvests gathered with the sickle and scythe than for an age of threshing combines and reaping machines. This year 50 per cent of the sown area in the Soviet Union will be harvested by combines In view of all this, Mr Hubbard's suspicion of Soviet estimates of yields and actual harvests since 1933 is rather extreme

Mr Hubbard also reproaches me with choosing an especially favorable year for comparison. I took the year 1935 not because it was an especially good year but simply because it was the most recent year for which I could find *all* the data As a matter of fact, the yield in 1937 was 30 per cent higher than in 1935. However, let us compare the figures for the last three years before the Revolution with those of the first three years after collectivization (1933-34-35). In passing, I repeat that it is meaningless to include the figures of the years 1929-1932 in any average. It would be just as misleading as to quote the

steel production of the Soviet Union in 1919 as representing "Soviet achievements." The years 1929-1932 were not typical of the standards that have since been achieved under successful collectivization; on the contrary, these were the years of struggle, sabotage, suffering and tragedy. The year 1933 is the first which can be taken as *comparatively* normal for collectivization.

(1) THE PER CAPITA YIELDS OF RYE, OATS, BARLEY, BUCKWHEAT, MILLET AND MAIZE (IN PUDS OF 16 KGS.)

1911-1913	1933-1935
24.2	3 4

(Data for 1911-1913 from *Russian Year Book* for 1912, 1913, 1914, with exports subtracted and total harvest divided by total population. Figures for 1933-1935 taken from *International Year Book of Agricultural Statistics*, Rome 1936-37, with export subtracted. These figures make it clear that collectivized agriculture in its first three years of relative stabilization gave the population 25 per cent more than it had had under the Tsar.)

Mr. Hubbard says, incidentally, of the year 1936 that "it is known that the grain harvest was much below 1935." All I can find from the speeches of Soviet officials is that the harvest of 1936 was "a little below that of 1935", while on the other hand in *Bolshevik* (No. 1 of 1937, pp. 47 ff.) there are given figures which show that the yield in 1936 was higher than in 1933. As the yield for 1937 was 30 per cent higher than in 1935 (*Izvestia*, April 2, 1938), I do not think Mr. Hubbard can maintain that I unfairly chose 1935 as an abnormally successful year.

Figures for supplementary foods bear out the grain figures.

(2) PER CAPITA YIELD OF POTATOES, BEANS AND OIL SEEDS (IN KGS.)

	1908-1913	1933-1935
Potatoes	140	336
Soya beans	0.15	0.48
Sunflowers	3.94	11.43
Hemp seed	2.87	1.46
Cotton seed	3.05	6.08

(Prewar data for potatoes are for the years 1911-1913; the prewar figure for sunflower seeds is for the year 1913, taken from the *Commercial Yearbook of the Soviet Union*, 1925; figure for Soviet production of cotton seed is an average of the years 1933-1936.)

For livestock Mr. Hubbard quotes figures of the years 1922, 1928 and 1936, in order to show that in 1928 the independent peasants had succeeded in regaining and even surpassing the level of the admittedly abnormal year of 1916. In order to be really fair, he should also have shown the success of Soviet stock breeding in the last three years

(3) Comparative Achievements of Independent Peasants in Six Years and of Collective Farms in Three Years (in Millions of Livestock)

Independent peasants	Cattle	Sheep and goats	Pigs	Collective farms	Cattle	Sheep and goats	Pigs
1922	45.8	91.1	12.1	1933	38.4	50.2	12.1
1928	70.5	146.7	26.0	1936	56.5	73.3	30.4

This comparative table establishes the fact that the independent peasants increased their livestock at an average yearly rate of growth of 7.4 per cent for cattle, 8.3 per cent for sheep and goats, and 13.6 per cent for pigs, while the collective farms are increasing their livestock at an average yearly rate of 13.8 per cent for cattle, 13.4 per cent for sheep and goats, and 36 per cent for pigs. As a matter of fact, even the table given by Mr. Hubbard proves that the Soviet population in 1936 had a better per capita supply of cattle and pigs than the Tsarist population in 1913, and it may be added that the figures do not reveal another aspect which is of primary importance—the tremendous recent improvement in quality of livestock.

I fully agree with Mr. Hubbard that my figures of increased consumption of salt, sugar, cotton textiles and electricity were not enough to show the increased consumption of all kinds of goods in the Soviet Union. I was limited by space but I now have an opportunity to quote a few further figures. Mr. Hubbard brings in two new arguments—that I did not allow for imports of cotton textiles into Tsarist Russia nor for the production in Poland and the Baltic provinces, and that I did not mention the "kustarny" homespun output. It is true that Russia in 1913 imported cotton textiles at R. 50 million, but Mr. Hubbard overlooks the fact that in the same year Russia exported cotton textiles to the value of R. 44 million. These figures virtually cancel each other. As for prewar production of Polish and Baltic textiles, it is worth noting that Mr. Hubbard remembers the export of textiles from these former Tsarist provinces but failed to take into account the export of grain to these provinces which reduced the standard of living of other provinces. I believe it is now impossible to find data on the prewar textile output of these provinces and on kustarny output, but there is a way of getting around this difficulty by comparing the consumption of raw materials in Tsarist Russia and the Soviet Union.

(4) CONSUMPTION OF TEXTILE RAW MATERIALS (IN THOUSANDS OF QUINTALS)

Material	Year	Domestic production	Import	Export	Total consumption	Balance for per capita domestic consumption, in kgs
Cotton	1909-1913	1 962	1 922	0	3 884	2 33
	1933-1936	5 155	271	19	5 407	3 22
Flax	1909-1913	5 130	6	2 827	2 303	1 38
(fibre)	1933-1935	5 440	0	789	4 651	2 77
Wool	1914	1 210	482	104	1 598	0 95
	1936	907	259	0	1 166	0 69
Silk	1909-1913	6 53	15 71	4 24	18 0	0 01
	1936	12 95	0 53	0 0	13 48	0 01

(In compiling this table the prewar population of the Tsarist Empire has been taken as 167 4 million and that of the Soviet Union as 168 million The figures for silk production have been worked out on the assumption that the proportion between output of cocoons and silk was the same in 1936 as in 1935)

Since the net per capita consumption of cotton has risen from 2 33 kg to 3 22 kg, and that of linen from 1 38 kg to 2 77 kg, Mr Hubbard's anxiety over the deprivations of the Soviet population seems to be unjustified In wool and silk, it is true, there is a fall in consumption, but the other figures make it fair to say that whereas Tsarist Russia never consumed much wool and silk, the Soviet Union has merely not yet increased its consumption of these materials as much as it has in other commodities The wool supply suffered from the decrease of sheep during the struggle for collectivization, while the supply of silk has been cut by cessation of imports However, before the Revolution about 70 per cent of the wool produced was of the coarsest grade, while now about 70 per cent is of improved quality

Some other consumption figures follow

(5) CONSUMPTION OF SUNDRY COMMODITIES

	Tsarist Russia	Soviet Union
Fish (in thousand quintals)	7 200 (1911)	16 201 (1936)
Butter (exports excluded, in thousand tons)	69 (1913)	165 (1936)
Sewing machines (units)	?	490 000
Watches (units)	?	337 000
Clocks of all kinds (units)	?	4 332,000 (1935)
Gramophones (units)	?	576 000 (1936)

For many such goods there are no Tsarist figures It is well known that the consumption was then negligible The list could be increased, but it is not necessary the advance is going on in all directions For 1938 the following increases in production are planned Cotton fabrics, 25 6 per cent; Silk, 11 7, Stockings, 14 5; Leather shoes, 16 7, Bicycles, 16 1; Gramophones, 30 4, Watches, 45 3, Furniture, 16 2

Mr Hubbard quite rightly criticizes the form in which my statement about the purchasing power of the ruble was expressed. The statement should read· The ruble buys far more in the Soviet Union than it would in Great Britain or America, *if exchanged at the rate calculated by Mr Hubbard* For food and clothing, Mr Hubbard gave 10 rubles to an English shilling, or 200 rubles for one pound as a "rough approximation" of retail purchasing power This is *eight times* less than the official rate of exchange Is this a fair theoretical rate?

(6) Prices in America and the Soviet Union

	Soviet prices in rubles	Soviet prices in dollars (at official rate of exchange)	American prices
Wheat bread, 1 lb	0 54	0 11	0 08
Rye bread, 1 lb	0 34	0 07	0 08
Milk, 1 liter	1 00	0 20	0 12
Butter, 1 lb	9 10	1 82	0 40
Sugar, 1 lb	1 63	0 32	0 05
Tea, 1 lb	45 36	9 07	0 50
Beef (average cut) 1 lb	4 54	0 91	0 30
A man s ready made suit	450 00	50 00	20 00
A pair of men s shoes	160 00	32 00	5 00
A man s shirt, cotton	40 00	8 00	2 00

From this it appears that the purchasing power of the ruble in America would not be eight times less than the official rate as follows, but for wheat bread 1 3 times less, rye bread 0 8 times, milk 1 7, butter 4 5, sugar 6 4 tea 18 1, beef 3 0, man's suit 4 5, and so on.

I have used Mr Hubbard's figures, although as far as I know prices are now lower in the Soviet Union, except perhaps for sugar and tea, which are heavily taxed The largest differences to the disadvantage of the Soviet Union, according to the above figures, are in sugar, tea, butter, and clothes and shoes Mr Hubbard professes to be shocked, but as an expert he should know that Russian peasants, under the Tsar, almost never had leather shoes at all, while even in the towns leather shoes and "Western" clothes were not common. Even so, the production of shoes this year will be over 200 million pairs, for a population of about 170 million In the prices of other things, moreover, the Soviet Union compares favorably with America, even at the official rate of exchange—cinema tickets, 20 cents; newspapers, 2 cents; railway fares, 2 cents a mile.

In this question of standards of living two kinds of comparison can be made. In my original article I compared the consumption of Great Britain, the Soviet Union, Poland and India, showing that the Soviet

population is still worse off than that of Great Britain, though the difference is no longer very striking, but better off than the population of the other countries mentioned. I pointed out that the British standard of living has something to do with the low standard in India, Jamaica, Egypt and many other places. In reply to these comparisons Mr Hubbard has said nothing.

The other kind of comparison deals with the time factor. Are the people of India, under the benevolent rule of Great Britain, better off now than they were 200 years ago? Is it not true that India still has to be watched over by strong British garrisons? As for the Russians, are they better off now than they were before the Revolution? These questions must be put in a realistic way. In 1907 the Tsarist Director of the Department of Agriculture wrote: "The income of the peasants from their allotment land, on the whole, falls short by a half or three quarters of the amount absolutely necessary for their existence. The deficiency has to be made good as far as possible by outside earnings and by the lease of land from landowners."[1] Dr W. D. Preyer, the German expert on Russian agriculture, describes the economic situation of the peasants under the Tsar as follows: Assuming, as is usual with all Russian statisticians, that 10 puds per year of grain is the minimum required for every person of the village population, with an additional 7.5 puds per person for feeding cattle, then 70.7 per cent of the farmers cannot feed themselves, let alone cattle; 13.1 per cent could feed themselves but had nothing for cattle. Only 8.9 per cent had more than 26.5 puds per person.[2] In the Soviet Union in 1938 the increase of wages and increase in the number of workers are raising the wages fund from R. 82,000 million to R. 94,000 million.

I have no space to take up in detail the way in which Mr Hubbard confuses the tax on consumers with the tax on producers, or his assumption that in Tsarist Russia illiteracy among the younger generation had been reduced to a comparatively modest figure, and so forth. Assertions of this kind only confuse the issue. On the other hand, the more realistic the method of comparison, the plainer it becomes that Soviet standards of living, while still below those of Great Britain, are rapidly improving. Given one or two more "recessions" in Great Britain, it will be even more awkward for British experts to make comparisons.

A. W. CANNIFF

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[1] P. N. Sokovnin, *The Cultural Level of the Peasant Population on Allotment Land*, 1907. (In Russian.)

[2] "Agrarreform in Russland," in *Handwörterbuch der Staatswissenschaft*, 1927.

BOOK REVIEWS

Bolshoi Sovetskii Atlas Mira (Great Soviet World Atlas) Vol I *Editors A F Gorkin, O Y Shmidt, V E Motylev, M V Nikitin, B M. Shaposhnikov Director of the Institute V E Motylev Moscow Scientific Publication Institute of the Great Soviet World Atlas* 1937 R 200 $40 00

The Institute which publishes the *Great Soviet World Atlas*, and its Director, Dr Motylev, have been closely associated with the Institute of Pacific Relations Through this point of contact the Institute has had access to the whole world of science and research in the Soviet Union PACIFIC AFFAIRS has had in the past less discussion of the Soviet Union than of other countries with interests in the Pacific region, and it therefore especially welcomes the appearance of the first volume of this *Atlas*, which has been in active preparation since 1935 An opportunity is presented here not only to review and discuss important aspects of the Soviet Union, but to study them in bold comparison with the rest of the world

A common modern tendency of sciences like geography, history and anthropology is to invade each other's fields Historical geography is indisseverable from history Human geography overlaps into sociology and anthropology. Economic geography merges into political economy Geology, meteorology and other special studies form additional provinces of geography as an inclusive science With this diversification there goes a tendency toward dissension between schools of geographers Where should the "philosophical" emphasis lie? There are, for instance, several schools of geographical materialism, such as the highly Fascist *Geopolitik* of Germany and the more vague environmental geography which is widely supported in Western Europe and America Even the less political schools of geographical materialism develop, at times, bizarre results Environmental and climatological theories, especially, can be and are frequently embroidered on their strictly geographical margins into doctrines of "superior" and "inferior" races and societies.

Does this mean that any "materialistic" treatment of geography must necessarily result in elaborate but rigid doctrinaire theories? Because of this latent question, a major geographical work infused with the spirit of Marxist historical materialism cannot fail to challenge the interest of geographers all over the world It will have to be studied in connection with Soviet Communism as a whole, for an inclusive world atlas cannot

be isolated like "pure" mathematics It will not only reveal whether a Communist guided state and culture can produce, after a couple of decades, competent technicians in cartography, printing and color work The whole intellectual climate and cultural environment of the Soviet Union will pass under the judgment of those who study the maps in this *Atlas* From it we shall be able to satisfy ourselves whether the Soviet Union permits original and genuinely scientific enquiry into real geographical problems, or whether it confines even scientific thought within dictated channels Do Soviet geographers merely asseverate the wickedness of the capitalists and the nobility of the proletariat, thus laying themselves open to comparison with the sterile Nazi dogma of the wickedness of Jews and the nobility of the supposititious Aryan, or does their work reflect a vigorous, growing, experimental society, alive to new discoveries, inventive and creative?

The tone of the *Atlas* is set by a letter from Lenin, written in 1921, that is characteristic of Lenin's greatness of mind In this year of appalling difficulty, with the Soviet Union abjectly poor, largely starving and just struggling free of foreign invasion and foreign subsidized civil war, Lenin found time to prompt the teaching of the kind of geography that his people needed, in order to show them the kind of world in which they were living He wanted maps to illustrate the history and growth of imperialism, to show the investing countries of the world and those in which the investments are placed, the ownership of railways all over the world, the distribution of raw materials, and the struggle for ownership and control of them

These maps are in the *Atlas*, but they are placed in a setting wider than just the struggle between imperialism and socialism Volume I is divided into two parts, one dealing with the world as a whole and all countries except the Soviet Union, and one devoted to the Soviet Union The treatment of the two parts is roughly parallel First (in the world section), there are the sky and the solar system Reproductions of ancient maps then show the stages by which knowledge of the earth grew This historical treatment is carried further by maps of the progress of exploration and discovery from the thirteenth century to the present This section is rounded off by a valuable map showing the relative closeness with which different parts of the earth and the oceans have been mapped and charted It is noteworthy that the survey net is as close in India as in Europe, closer than in the United States as a whole, and far closer than in Canada and Australia Japan is equal to Europe The scale in the Soviet Union ranges from that of Europe (1:126,720 or

better) to that of China, most of which has been mapped on a scale of from 1 253,440 to 1 1,000,000

Then there follows the material setting in which man lives physical maps of the hemispheres and of the oceans and the Arctic and Antarctic, and a whole series of maps of magnetic variations, graphimetric maps, maps of volcanoes and seismic regions, geological and mineral maps, maps of atmospheric pressures, temperature, precipitation, frost free periods, climates, soils, vegetation and animal life Only at this point does the mapping of man begin, density of population, migrations from Europe, between 1881 and 1933, and countries to which the migration was directed, distribution of nations, national groups, peoples and tribes, religions The economic activities by which man lives in his different environments are then treated electrification, production of oil and coal, of aluminum, pig iron, steel, copper, lead, zinc, tin and nickel, machinery, chemical production in the capitalist countries, artificial silk; rubber and chemical raw materials, wood and paper, textile raw materials; agriculture (with inset maps of wheat, rice and irrigation), fishing, air routes, railways and water routes

Political geography is thus deferred until after environment and economic use of the environment have been dealt with This section begins with maps of the export and investment of capital and export markets of the products of capitalist countries Then comes a political map of the world in 1783 (the acquisition of colonial empires), followed by a map of the period from 1784 to 1876 (political transformation of the world by the industrial revolution and the age of steam), and another of the period from 1877 to 1914. Lenin set the year 1876 as marking "the culmination of pre-monopolistic capital," so that this map can be taken as illustrating the development of political imperialism energized by finance capital, as distinguished from trading and industrial capital, and the dividing up of the world into regions of privilege and monopoly The idea is followed out in detail in maps of the export and import of capital, raw materials and manufactured products, and charts and graphs of the production of pig iron and steel, the growth of mercantile and naval tonnage, and so forth Maps of the Great War ("the Imperialist World War") follow, which are a marvel of condensation They not only demonstrate the logical implications of the previous maps of economic and political rivalry, but show the proportions of the war as a real world war, without overemphasis of the military importance of France and Flanders. A characteristic detail is the notation of submarine sinkings, which brings out the importance during the war of communi-

cations and access to raw materials The world section of the *Atlas* is then brought to a conclusion with contemporary political maps, including a double-page map of the Pacific, and another excellent map of "Economic Rivalry of the Imperialist Powers in the Pacific"

This catalogue of the contents of the first part of Volume I reveals, I think, the working of a mature concept of the proper scientific uses of geography A future volume of text, to accompany the *Atlas*, is promised in the Introduction, but even without this it is evident that Marxist historical materialism, as practiced by the scientists of the Soviet Union, is not a crude materialism On the contrary, there is overwhelming evidence of a subtle and accurate perception of multiple processes of interaction Modern societies are not treated as the product of environment and nothing else Instead, two main categories of environment are clearly differentiated simple or natural environment and environment as exploited and modified by the action of man

Historically, man's ability to use the latent resources of the environment begins with weak forms of enterprise and organization Eventually, this ability develops not only progressively but cumulatively, multiplying itself as well as adding to itself Various geographers have remarked on the rise of the major civilizations in favored geographical regions Quite different schools of thought can be based on this simple observation A naive but still surprisingly common line of argument is that the favorable environment does not directly produce a superior culture, but first creates or molds a superior race, which thereafter duly evolves the superior culture The dogmatists of "race" appeal to this assumed historical sequence in developing one theory after another of bias and special justification For instance, what we call "modern civilization" originated in Europe It rules the world today, while all the other great civilizations are either dead like that of Egypt—or in process of being transformed—like that of China—by contact with Western civilization Therefore, it is argued, Western Europe must have produced a race superior to all other races Therefore the "white man" is divinely ordained to rule the "native" This kind of argument can be varied at will to glorify the "Aryan" German, the Italian Fascist as the heir of Rome (or of the mysterious Etruscans, it makes no difference which), Kipling's Englishman as the ruler of India (although without India there would be no Aryans), or the "Nordic" American as the superior of the Negro and the American Indian Races can even be transposed, the Japanese can be made "honorary Aryans," as in Germany, and the Slavs demoted to servile Asiatic status

The very fact that such theories can be varied, in detail, to any extent, and yet remain essentially the same, indicates that they are faulty somewhere The fault lies in a too shallow understanding of the way in which environment conditions history. Primitive man can only adapt himself, at first, to the particular environment in which he finds himself The ability to transport "environmental" necessities (as the Pilgrim Fathers did when they brought their limited but essential stock of equipment and knowledge to America), or to transform the "environment" to suit the society (as when foreigners build quasi-Western cities like the International Settlement at Shanghai), comes much later Therefore the origins of cultures are associated with particular regions, but from this point on, while the environment continues to act on the society, the society also works on and alters the environment The possibilities of action, reaction and interaction become infinite A society may grow, remain static, degenerate or turn into something quite different—as an airplane, after gathering a certain minimum speed on the ground, lifts itself into the air, transforming one kind of locomotion into another This was the way in which the precapitalistic society of Europe transformed itself into a capitalistic society, and flew all over the world This only meant, however, that a degree of human control over environment had been attained which could henceforth be adapted and applied by any people, anywhere The fact that these immense modern powers are applied in some parts of the world independently, but in other parts by "ruling races," is not inherent in either race or local environment, but is a historical question of the methods by which men conquer and rule other men, or emancipate themselves from the control of other men

This, if I am right, is the kind of geographical-historical outlook which has guided the makers of this *Atlas* Of course, I have stated the argument crudely, but I think it goes a long way toward explaining, for instance, the very heavy emphasis of this *Atlas* both on natural resources and on the degree of technical exploitation of the resources in different parts of the world by different societies, under different forms of organization and government. The historical method, in short (of which special mention is made in the introduction), is extended to demonstrate the superiority of Socialism, as practiced in the Soviet Union, with the deliberate purpose of arriving at a future Communism, over the Capitalism of the rest of the world The method, it must be conceded, is formidable, it is not vulgar "propaganda," but scientific argument on a plane that commands full intellectual respect

The second section of Volume I, devoted to the Soviet Union, will in-

terest many who are not especially concerned with geographical thought and method The passionate addiction to statistics of all Soviet citizens is well known—statistics of both quantity and quality, but especially statistics of size and speed In this part of the *Atlas* the confusing wealth of Soviet statistical material is not only compressed into forms that are easily understood, but set out in such a manner that the maximum comparative use can be made of it Indeed, the whole design of the *Atlas* challenges both geographical and historical comparison between the Soviet Union and all other countries.

There is, as I have said, a general parallel between the series of world maps and the maps of the Soviet Union, but there is also some extra material, such as the maps of permanently frozen zones and Quaternary geological deposits in the Soviet Union, a special and very interesting profile relief map of the whole Union, geological, geomorphological and mineral maps of special regions, maps of typical soil regions, in addition to the general soil maps, maps of mineral springs, a map of autumn bird migrations, in addition to the zoogeographical map, a map of economically productive hunting, important maps of the growth of cities and of municipal enterprises and improvements maps of electrical, fuel, machine, metallurgical and light-industry resources and production The data are then presented afresh to compare the productivity of Tsarist Russia in 1913 and the Soviet Union in 1935, together with a map of such improvements as drainage and irrigation under the Tsars and under the Soviets, maps of important "technical crops (especially cotton), maps of collectivization (for the periods 1928, 1930, 1933 and 1936), and of machine and tractor stations and sovkhozes The section closes with maps of all kinds of communications and of export and import trade, and a supplementary map of administrative divisions in 1914, which may be compared with the political and administrative map of the Soviet Union at the beginning of the section

Throughout this section many of the maps of the Union as a whole are supplemented by maps of the European and Asiatic sections of the Union, and maps of special regions In view of the emphasis on imperial and colonial relations in the first section, it is a pity that there is not a map expressly delineating the metropolitan and "colonial" regions of the Tsarist empire, and showing the manner of transformation under the Soviet Union The information is there, it is true, but has to be extracted by reference to a number of maps. Probably such a map is to be expected in Volume II.

The very great importance of the rate of growth (as brought out in

Mr Canniff's debates with Mr. Hubbard in PACIFIC AFFAIRS), providing a dynamic index to supplement factual but static data about the Soviet Union, is here recognized Charts are added to many of the maps, to show for instance that between 1932 and 1936 the Soviet Union jumped from seventh to third place in world production of electrical energy, displacing England and Canada. By 1935 it shared second place in pig iron and copper, and third place in steel and aluminum Between 1928 and 1935 it rose to second place in production of machines (25 2 per cent of world production), displacing Germany and Great Britain In 1913 organized industry accounted for only 40 6 per cent of Russia's total production, and village industry for 59 4 per cent. By 1935 organized industry produced 75 6 per cent and village industry only 24 4 per cent By 1936 the Soviet Union was producing nearly eight times as much as Russia produced in 1913. Neither Germany, England nor France was producing a significantly greater amount in 1936 than in 1913 America was producing over 50 per cent more, as compared with the nearly 800 per cent of the Soviet Union

Throughout the *Atlas*, the type of projection used for most of the maps is stated, and projections have evidently been carefully selected to suit the emphasis needed, and the distortion to be avoided, for the particular map For these and similar questions, however, I have neither the space nor indeed the technical competence to go into detail Naturally, these are matters which will be keenly scrutinized by geographers in every part of the world The technical excellence of the printing and binding, the striking coloring of the maps, neither beauty nor clearness being sacrificed in the vividness of presentation—these are details which the layman will recognize and appreciate

I have here been concerned mainly with an attempt to appraise the general quality of a major geographical project backed by a new and growing institution The importance of the Institute of the Great Soviet World Atlas will evidently increase Two more volumes are projected Volume II will deal with the separate Republics and other subdivisions of the Union, and will also contain historical maps Volume III will be devoted to physical, political and economic maps of the continents and of countries other than the Soviet Union.

O. L.
July 1938

JAPAN IN CHINA *By T. A Bisson New York Macmillan* 1938 *pp* 417 *Maps and Illustrations* $3 00.

TO WRITE successfully about the background, origins and development of a war while military operations are not only continuing but expanding, requires insight and judgment as well as experience of an exceptional sort In terms of fulfilling the promise of the flyleaf, to give to the Sino Japanese War "an authoritative discussion of its current development and probable future trend," the book under review is remarkably successful Mr Bisson is, among Americans, almost uniquely qualified for the work he has so fortunately undertaken Following a residence of several years in China he joined the staff of the Foreign Policy Association where for some ten years he has been Far Eastern expert During this period it has been his task to follow closely political developments in both China and Japan, and the American public's good fortune to receive the results of his work in the form of Research Reports two or three times a year Mr Bisson has consistently chosen to regard political events not merely as successive acts of legislation, cabinets and diplomatic episodes, but rather as the surface expression of complex social and economic forces in the background During 1937 a Rockefeller Fellowship enabled him to return to the Far East where he devoted himself to a first hand investigation of why and how Japan renewed the attack on China begun in 1931 and why and how China this time offered resistance on a national basis

The result of this long experience, capped by a year of intensive study on the spot, is the most important single book which has yet appeared on the Sino Japanese War It is both comprehensive and detailed As another reviewer has suggested, one may now discard files of news clippings and miscellaneous papers on the war, laboriously collected since July 1937, for Mr Bisson has recorded every significant event leading up to the outbreak of large scale fighting and has followed the course of the war well into 1938 But more than that, he has conveyed a meaning, an interpretation, to the complicated episodes which otherwise would too often remain in the observer's mind as thousands of scattered and confused items rather than as an integrated whole.

The volume opens with an account of the beginning of military operations in North China in July of last year What is alleged to have happened and what actually did happen at the Marco Polo Bridge and elsewhere in the Peiping-Tientsin area in those weeks are analysed with the incontrovertible conclusion that the Japanese military "knew

well that there was no real military threat to Japanese interests in North China, save of their own making. They chose to create such a threat." There follow two chapters which review Sino-Japanese relations in North China from the Tangku Truce of May 31, 1933, to the Lukouchiao incident, a period during which "a multitude of agents, official and unofficial, was actively engaged at the task of filling in the outlines of Japan's new *imperium* south of the Wall. By the spring of 1937 this process had gone so far that any effort by the local officials to safeguard China's few remaining rights in the North was treated as a challenge to Japan's 'peaceful advance' and cause for military intervention."

While Japanese encroachments on China's sovereignty had continued throughout this period, from 1935 onward they were meeting increasing opposition. The Japanese policy was creating exactly the conditions and attitudes it was ostensibly designed to destroy. In Chapters IV and V, "The Revival of Chinese Nationalism," and "China Achieves Unity," the author traces the often clumsy and painful integration of China as a nation in the face of Japanese aggression, the common foe of all groups in all regions of the country. The student movement, the National Salvation Associations, the Southwest Political Council, the Kuomintang, the Chinese Communist Party, intellectuals, bankers, peasants—all had a part in the eventual achievement of unity. For as clear and penetrating an historical analysis as has yet been written of this rapid and historically important unification of China, Mr. Bisson deserves special congratulation.

He does equally well in explaining the well-nigh incredible tactics, at home and abroad, which the Japanese military had pursued since 1931. A great amount of detail appears in the two chapters "Political Crisis in Japan" and "Japan's Drive Toward Fascism," and the lay reader may become confused if he follows too closely the many unfamiliar names, societies and institutions recorded and the continual changes of government. But if he will read these chapters rapidly, dwelling on the interpretative passages and following the main course of argument which the evidence reveals, he will find the real reasons why Japan has attacked her neighbor. He will discover that the Chinese situation had little to do with the outbreak of hostilities, the situation at home—in Japan—much.

Mr. Bisson could not well have avoided the details of these chapters nor of a later one, "Japan's Home Front," which carries the analysis of internal Japanese politics and economy through eight months of the

war. For Japanese society is complicated it consists not only of a relatively advanced industrial economy but it retains to a conspicuous degree elements of a more primitive and feudal society. While the monopoly over economy exercised by a few family institutions and over politics by the military or by two political parties might suggest a fairly simple control of all Japanese social forces and therefore of all political decisions, the fact is that industrial groups are split among themselves as between light and heavy industry, the parties are torn asunder by corruption and political beliefs ranging from parliamentary liberalism to fascism, and the military is composed of factions constantly maneuvering for the control of the army itself Thus political tactics are for the most part oblique, they are usually hidden behind a misleading barrage of publicly spoken generalities A dual government in fact exists Many foreigners have failed to discern fascist trends in Japan because they found no Hitler or Mussolini frankly leading such a movement These trends have existed, none the less, but their development has been entirely behind the scenes In view of these extraordinary complications of Japanese society, Mr Bisson has wisely resorted to considerable detail in making his analysis, and the close observer, as distinguished from the lay reader, must study these three chapters closely If Mr Bisson is wrong in his conclusions, it will take far more than a blanket denial to prove it, for his evidence is thoroughly convincing

The course of the war itself is reviewed in the chapters on "The Defense of Shanghai" and "The Struggle in the North" These are followed by an exceedingly enlightening attempt to weigh the strength of the combatants As Mr Bisson puts it, "the test of strength, as between China and Japan, pits two qualitatively different techniques and objectives against each other" His examination of this crucial question cannot be summarized, he has been too careful, in pointing out the many factors which must be considered, to risk an oversimplified prediction The chapter must be read and each of the strands of thought kept in mind by the observer who watches the further course of the fighting

The final chapter is in certain respects the most brilliant achievement of the entire book Its title, "Manchoukuo—A Prototype for China?" suggests what the author has tried to do. To the reviewer's knowledge here is the first comprehensive attempt which has been published to review the total Japanese rule of Manchoukuo It is not merely a balance sheet of trade and investment, though these are included, but it weighs as well the results achieved—or not achieved—in elementary, higher and vocational education, in radio, news, intellectual societies, etc, in

civil service, in executive positions, in village life, in agriculture, in monetary reform and, in short, in all the factors which constitute our concept of public welfare

FREDERICK V FIELD
San Francisco, July 1938

JAPAN'S GAMBLE IN CHINA *By Freda Utley Introduction by H J Laski London Secker & Warburg. 1938 pp x + 302 6s*

ONCE again Freda Utley reinforces the work she did in *Japan's Feet of Clay*, and brings it up to date She sticks to facts with a doggedness which makes it impossible to dismiss her as merely a "rabid" anti-Japanese propagandist An effective part of her technique is quotation from the Japanese press and periodicals It is too often supposed that what the rulers of Japan think, and what they try to persuade the Japanese public to think, are inscrutable mysteries, guarded by the obscurities of the Japanese language Yet in fact a great deal of what is currently being published in Japan is translated into English and other languages It is of this that Miss Utley makes such effective use, including many unguarded passages that confirm two of the main points first raised in *Japan's Feet of Clay* Japan is economically so weak that its military aggression would collapse in face of a few simple economic measures America, Great Britain and Holland, alone, could stop Japan in a few weeks, without any military action whatever, without even the threat of military action, and with no danger at all of military retaliation by Japan The second point, complementary to the first, is that Japan is gambling that there will be enough influential British and Americans, making money out of supplying Japan, to prevent effective interference by their nations—although non-interference is against the national interest of both countries

An important aspect of this new book is that Miss Utley broadens her scope to take in the policies of other countries, especially Great Britain and Germany. Both countries are playing a double game, and to a large extent the same double game. In the Far East, as in Europe, the Tory Government of Great Britain is cuddling up to Hitler The double policy is not one of typical British "muddling through," but one of Fascist and pro-Fascist planning Both Britain and Germany want to see a stalemate in the Far East They want to see Japan prevented from conquering the whole of China, and China itself very considerably weakened The idea

is that Japan would be left in Manchuria, Inner Mongolia and part of North China to hold a military cordon against the Soviet Union, while the main body of China would be left open to British and German economic exploitation. Thus China would be prevented from attaining full national independence.

In her survey of the importance of the Chinese Communists, Miss Utley is not so clear sighted as in her special subject, which is the analysis of the disunity within both the political and the military factions in Japan. She seems to think that the new Communist policy of going easy on the landlords will mean having to fight a defensive war while relying on a "discontented peasantry." She fails to realize that the landlords themselves, in order to win over the peasants, are being forced to carry out the very reforms which the Communists have always demanded—and the peasants know it, and give the credit to the Communists, not to the landlords. This is particularly clear in the regions from which the Chinese main lines of battle have receded, but which the Japanese have not yet succeeded in conquering.

Miss Utley's book, as a whole, is a tribute to the growing influence and importance of the Institute of Pacific Relations in Great Britain. It is heavily documented from I. P. R. sources affiliated with or sponsored by the I. P. R. This is a testimony to the fact that the I. P. R., while not initiating policies or passing resolutions, has very creditably fulfilled its mission of collecting and making accessible the important source material on Pacific questions. The facts are now remarkably complete, and they are on open record. It is up to the public—the common people in every nation concerned—to demand action of their political representatives, or to take action themselves.

P. C.
July 1938

JAPAN IN AMERICAN PUBLIC OPINION. *By Eleanor Tupper and George E. McReynolds. New York: Macmillan.* 1937. *pp.* xix + 465. $3.75.

THIS is one of the most thorough studies of public opinion that has been done in America. In tracing changing attitudes over a time period, it follows what historians have previously outlined, but makes use of a greater range of materials—especially periodicals.

The authors find that until the Russo-Japanese War America's attitude

toward Japan was very friendly. After 1905, however, Americans became conscious of a Pacific rivalry This ripened into a distrust of Japanese motives as Japan's commercial policies in Manchuria, its treatment of Koreans, the Twenty-one Demands, the refusal to join the proposed international Consortium in 1918, the temporary retention of Shantung, and the claim to Yap were appraised These facts, together with anti Japanese agitation in California, created a tension in the United States which was not considerably relieved until after the Washington Conference had done away with the Anglo-Japanese Alliance, guaranteed the political integrity of China, and established a naval ratio. This conference, however, did not settle the racial problem within the United States, and the result was section 13c of the 1924 Immigration Act, denying Japan an immigration quota In the following years American distrust of Japan lessened despite the tensions created in the naval conferences of 1927 and 1930 The effort of certain American cultural groups to obtain an immigration quota for Japan was making excellent progress, but the invasion of Manchuria in 1931 and subsequent events in China increased tensions to the point of near-crisis

The study leaves the impression that, with the exception of the racial equality issue, America's opinion of Japan has been formed naturally, without being organized unfavorably by hidden and self-interested agencies The attitude toward Japan of the press and business and cultural groups has been a reflex of Japan's international acts. Business—except very recently when certain Japanese imports were deemed excessive—has not desired any disturbance of relations Religious groups have pursued the same objective, although missionaries in China and Korea have at times disapproved of Japanese policy The press as a whole has tried to judge Japan fairly

When, however, the study examines immigration and related questions, it exposes interest-groups pursuing objectives dangerous to international friendship On the Pacific Coast—especially in northern California—labor, patriotic and chauvinistic groups, farmers, politicians, and sometimes more than half of the press, have played a disgraceful role The politicians were the least respectable.

A full treatment is given to the campaign for an immigration quota. The authors conclude that there is "widespread feeling throughout the country, opposed principally by the American Legion and the American Federation of Labor, that Japan and indeed all Asiatic countries must be placed on a quota basis as soon as political conditions in the Orient warrant such a move." The demand of pressure groups for exclusion in

1924 suggests an interesting theory of public opinion that the attitude of national organizations, such as the American Legion, the American Federation of Labor, and the National Grange, is often only a surrender to demands made by a constituent state organization If this be true, it may have serious consequences for the future of American international relations A somewhat similar conclusion attaches to the authors' observation that the South, with its Negro problem, favored Japanese exclusion out of sympathy with Far Westerners

A surprising fact to many readers will be the rather clean bill of health which the study gives to the American press With the exception of the jingoist Hearst press and of some California papers when, during the earlier agitation for segregation in schools and anti-alien landownership, northern California newspapers were offensively aggressive, the American press on the whole has treated Japan fairly and reasonably

The one serious omission, from the point of view of the student of public opinion, is the paucity of quotations from newspaper editorials A much clearer picture of public opinion formation would emerge if the authors had reproduced some cartoons and quoted more extensively While the authors have done a scholarly job as historians of Japanese American relations, it is to be regretted that those historians who examine public opinion are not also trained as social psychologists

Nearly one third of the work deals with events since 1931 Some of this material is more interesting as the history of international relations than is the history of public opinion A revealing fact, however, is that the American press assumed a much more realistic attitude with reference to an economic boycott of Japan in 1931 32 than did American intellectual and civic leaders

The work contains an enlightening introduction by Professor George H Blakeslee who, with Dr Bruno Lasker, assisted the authors with guidance

CHILTON BUSH
Stanford University, May 1938

JAPAN OVER ASIA By *William Henry Chamberlin New York Little, Brown & Co. pp* 395 $3 50.

BOOKS on Japan mostly go by formula, but Mr Chamberlin has varied the usual array of subjects, and has given us less than the usual amount of information about political and other organization,

and more of the imperialistic aspects of the country In this, of course, he is giving us a book that is topical, and, being the work of a very capable writer, practised in political observation, it is a valuable review of a complex situation on which the eyes of the world rest today with more wonder than understanding Mr Chamberlin looks beyond the Japanese borders (as Japan itself is doing) and discusses the differences that exist between Japan and its neighbors on every hand He also discusses the peculiar difference between Japan and other totalitarian states, in that each of the leading totalitarian states has a dictator, capable of everything except making a mistake, while we cannot name any single person as dictator in Japan It has not always been so There was no doubt about the dictatorship of Kiyomori, Yoritomo, Takauji, Hideyoshi, or Iyeyasu, but in their day the fiction of the Emperor being absolute had not been invented; and there is also the consideration that Japan does not at the moment possess a Hitler or a Mussolini, and has to get on, as in former times when the hour did not happen to produce the man, with mutual aid among a group of mediocrities

In one respect, however, Mr Chamberlin is disappointing In his last book on Russia he was so critically hostile that on his transfer to Japan one might have expected him to start with the talent for searching out "undemocratic" characteristics that he presumably brought with him from the Soviet Union He seems, however, to be willing to go lightly on the Japanese where he went "all out" against the Russians He does, it is true, mention that Dr Inoue Tetsujiro had to recant and apologize for doubting the authenticity of the patently spurious Japanese regalia, but says not a word about his being deprived of his livelihood at the bidding of a gang of ignorant bullies and of his being beaten almost to death by the same patriotic gentlemen Mr Chamberlin makes a casual reference to Dr Minobe's constitutional theories, but does not mention that the military crusade against him was very definitely because he upheld the theory that the civil was superior to the military power And he does not mention how Minobe was deprived of honors and emoluments, his books suppressed and himself shot in the leg He does not allude to the persecution of all Minobe's pupils and to the fact that the only Japanese who had the courage to say a word in his behalf was a journalist, whose reward was to be beaten and badly injured by the patriots. These are only two prominent instances of political persecution For years there has not been a liberal professor left in the Japanese universities, and after February 26, 1936, prominent officers who accepted no responsibility for the massacre were still bold enough to say

that this showed that liberalism could not be tolerated in Japan.

Mr Chamberlin thinks very little of the Communist movement in Japan, and, though mentioning the large number of arrests, also points to the small number—less than 10 per cent—who eventually get convicted, but he leaves the reader unaware that those unconvicted may easily spend a couple of years in filthy prisons under examination, and generally emerge with tuberculosis Sometimes they die "of heart failure" while the police are actually examining them, and, though the Diet has been reduced to such impotence that it is retained chiefly as a democratic camouflage, some of the members this last spring complained so bitterly of the continual tortures in the police stations that the Government promised to do something about it, but it has made that promise before and has never kept it Japan does not fall behind the other totalitarian states in insistence on political orthodoxy, and though the casual foreign visitor might well be unaware of the fact, Mr Chamberlin might have been expected to notice it His book shows however that he is capable of keen and pointed observation It will be interesting to see how long he will be able to refrain from driving home the full truth about what is going on in Japan and how it is related to Japan's ruthless aggression

A MORGAN YOUNG
Oxford, April 1938

CHILDREN OF THE RISING SUN *By Willard Price New York Reynal and Hitchcock* 1938 pp xiv + 316 $3 00

THE Sino-Japanese conflict has already affected in many ways the Western powers interested in the Far East. One of the most conspicuous results is the astonishing number of books and pamphlets published in Western countries, mostly dealing with the Far Eastern situation purely from a Western point of view Some are by authors who have made a point of staying "outside Asia" This has been particularly true of books dealing with Japan Yet even these books and booklets undoubtedly contribute to the understanding of the Far Eastern situation—which has frequently been described in terms of the "mysticism" characteristic of the Orient However, the methods of these Western writers often lead them to too much generalization

Mr Willard Price's *Children of the Rising Sun* (presented to the British reading public under the title of *Where are you going, Japan?*)

is of particular interest because the author, as a correspondent of the *Daily Mail*, lived "within Japan" for four years and travelled extensively not only in Japan proper but also on the Asiatic continent, as well as in the South Seas He lived in the cottage of an obscure Japanese farmer, intensively cultivating two acres of land, sat in a nunnery, listening to the bitter criticisms of an old abbess who hates to see the hermit country of Korea being industrialized, modernized and Japanized, talked with a converted bandit chief, who now drives a locomotive engine, spent a night with hogs in the hut of one of "China's eighty five per cent", chatted with a South Seas native in a southern outpost of "Japan improper" He has tried, he says, to record things thus seen and heard

It is plain that Mr Price really tried to understand Japan and its people, and to remove as much as possible of the conventional "mystery" However, he does not attempt a detailed analysis of the organization of the nation and the course of its policy in the light of present developments He merely tries to present a candid picture of Japan as it is its characteristic intensive farming, the schooling of its people, "dangerous thoughts," how they flourished and how they are fading He does not make any serious attempt to go into many underlying factors His chief interest is in psychology, the characteristic temper of the Japanese nation, without which no picture of the country could be complete—although an overemphasis on these factors alone is likely to present a picture of Japan centuries ago, when "divine wind" was a more powerful factor than airpower now is in determining the issue of battle and the fate of a nation He succeeds fairly well in his attempt to analyze Japan's traditional regimentation and discipline He even begins to see the "beauty of simplicity" in what has hitherto been Japan's "upside-downness" to most Western observers

However, Mr Price seems to slip a bit too far when he comes to the "heart of the matter," Japan's divine mission, as he calls it Apparently, the voices of extremist advocates have left too loud an echo in his ears. He seems to have read too much, too literally, of the history, or the textbooks of history of the country, and to have forgotten to interpret that tradition in the light of the present age Unfortunately, the nation is fully aware of the fact that it is living, not in an age when a complete national seclusion is possible, but in the world of today, as one of the family of nations Here it seems that Mr. Price reverts to Western generalization, overlooking the characteristics of the Oriental way of expression.

Mr. Price has meant this book to be "neither pro-Japanese nor anti-

Japanese." He sees much hope in the future destiny of Japan, but at the same time he points out the difficulties facing the nation. Many readers may question his belief that he is "the fairest person on earth," but the book is conspicuous for the absence of bias and distortion of facts—and this in the midst of a flood of publications which seem to refuse to look at both sides of the shield, as far as the Japanese people are concerned. He is being subjected to criticism, it appears, for his failure to present the darkest possible picture of Japan. One reviewer has criticized Mr. Price for his failure, in discussing the background of Japanese agrarian economy, to refer to 5,407 peasant "riots" in Japan in 1936 alone. However, no peasant "riot" is likely to occur in Japan, perhaps, until after Americans have come to find themselves almost daily witnessing "civil wars" instead of mere labor disputes between workers and employers.

N. Yasuo
New York, July 1938

History of Japanese Education and Present Educational System. By Hugh L. Keenleyside and A. F. Thomas. *Tokyo: Hokuseido Press, 1937, pp. xiii, 365. $4.15.*

This volume happily combines a sketch of the historical background with a picture of the present governmental system of education. The authors are well equipped: Dr. Keenleyside by his historical training and his former connection with the Canadian Legation in Tokyo, Professor Thomas by his experience as a teacher in the Tokyo University of Literature and Science. While this does not displace Lombard's *Pre-Meiji Education*, it admirably supplements it. The meatiest sections are the Introduction and the chapters on the Meiji Era and on Social and Adult Education. Stress is laid upon the genius of the Japanese for assimilating first Chinese and then Occidental culture without losing their own individuality. In selection, "Japan has shown herself unashamedly pragmatic. But this is the prerogative of an insular people, and the cause of their opportunism throughout the centuries, just as it has been with the English."

The heart of the volume consists of a detailed account of the modern educational system, supported by a plethora of tables and official regulations. While this is valuable reference material, it might have been better to relegate it to the appendix, in order that the now scattered comments of the authors might have been concentrated in a consecu-

tive treatment of educational policies, problems and proposed solutions One of the major problems mentioned is how to adjust the training in the schools to the chances for making a living The anxiety of Japanese publicists is not to be wondered at when one learns that even in good times a large number of the white collar university graduates can find no suitable employment The existence of this ominous body of potential agitators against the *status quo* partly explains the continental imperialistic expansion which it is hoped may absorb the prolific brain and hand power of the rising generation When it comes to technical school graduates, however, the demand of expanding industry so far exceeds the supply that the Education Minister last year took active steps to increase the output of the technical schools

The chapter on Social and Adult Education is enlightening in its emphasis on the family as the pivot of the Japanese polity, both social and political, and therefore the central concern of the Department of Education The uncritical character of the chapter, however, reflects the fact that it was admittedly written in the Ministry of Education Although the authors of the volume themselves have occasionally penned cutting criticisms, as of the ineffective teaching of English and the shocking ravages of tuberculosis among students, one looks in vain for adequate criticism of the denial of freedom of inquiry and teaching, official acceptance of legend as history, regimentation and uniformity, repression of social intercourse between men and women Incidentally, one wonders that the forthright criticisms of the present methods of teaching English were not followed by a constructive suggestion in favor of experimenting with Basic English, whose rigorously selected vocabulary makes it so comparatively easy to acquire a practical reading knowledge of English

The numerous minor typographical errors and the omission of important items from the index detract considerably from the reader's satisfaction

GALEN M FISHER

REPORT OF COURT PROCEEDINGS IN THE CASE OF THE ANTI-SOVIET "BLOC OF RIGHTS AND TROTSKYITES" *Moscow People's Commissariat of Justice of the U.S.S.R.* 1938. *pp* 800.

DEMONSTRATION trials are a customary event in the Soviet Union A letter carrier steals a hundred letters and hides them in her mattress, a student murders his fellow out of jealousy over attentions

paid to a girl—trials of this nature are heard not in an ordinary court room where the chief task is to detect the criminal and protect society, but they are put on in the General Post Office or in the main auditorium of the University The purpose of the hearing becomes more than an examination of the question of guilt The effort is to put forward before the whole nation the crime and the punishment as an educational feature

Trials scheduled as educational features emphasize incidents which might not otherwise seem necessary. Speeches of prosecutor and judge will contain points so clearly spelled out that even the untutored will understand Items whose proof is not wholly complete will be presented for what they are worth, for the same reason that American state's attorneys may refer to details of which they are morally certain but for which they cannot present absolute proof They hope that reference to the questionable detail may add to the sum total of the impressions likely to influence the jury's final verdict

In the Bukharin, Rykov, Yagoda case, for the purposes of the prosecution, the jury was in effect the whole country The plays were grandstand plays put on, not for the court alone, which might have been satisfied with mere rehearsal of detailed criminal acts without full political ramifications, but to discredit a movement which threatened harm to the authorities in charge of the Government at a time of extreme international danger

Any lawyer reading the verbatim report of the Bukharin trial will find much that seems well substantiated by testimony To argue that the prosecution has not produced evidence which might have caused a court to find a desire on the part of the Bloc to oust Stalin and his cohorts by forceful means, would not be in keeping with the facts To argue that Vyshinsky as State Prosecutor did not produce what might have been considered adequate testimony to prove that this desire was translated into action is also now nearly impossible To be sure the evidence is of such a nature that it suggests that much of the plan for a "palace coup" never got beyond the stage of being an attempt, if that Why the final push was never made is unfortunately not revealed The only effort made in the trial to explain why the coup d'état was not carried out was stopped by the prosecution at the very start of the explanation He said that it was not of interest (p 394) From the foreigner's point of view this question is one of the most interesting and has been frequently raised.

Some accusations seem too sketchily outlined by evidence to be fully

credited. Rykov's archives, supposedly kept in Yagoda's safe, amount to one of these points. Only a single witness could recall such documents, and in the face of denial by Rykov and Yagoda, the witness could not even hint as to his reasons for testifying as he did (p 578) The incident was, however, of no importance in view of the larger issues at stake.

Contrary to the usual impression given by the foreign press, the testimony in the transcript does not merely present one admission after another Quite frequently the accused deny their guilt on this or that issue, while admitting it on others. Bukharin at every moment of the trial (pp 413, 419, 421, 424, 432) and in his last plea (p 770) denies that he ever acted as a spy Rykov at most only says that he was no better than a spy, and under further questioning acknowledges that by such a confession he admits himself to have been a spy (p 632) Even Yagoda denies that he acted as a spy (pp 575, 786), although he admits that he knew that his chief of the Intelligence Department was a German spy It would seem that on the basis of such an admission Vyshinsky had reason to go no further, for under Soviet law permitting lower ranking officials to commit a crime is punishable as a crime committed by the superior.

In some cases defendants went on to tell about their crimes even when Vyshinsky suggested that he was not interested (pp 214, 244, 287, 298, 327) The impression given throws doubt on the assertion heard often outside of the Soviet Union that the men were mere puppets repeating a rehearsed act. Many of them seemed anxious to explain details which would have been unnecessary for the purpose of convicting them, and from their last pleas is gleaned the hint that various reasons motivated them They suggest that they wanted either to mitigate their crimes (p 756), to clear their conscience (p 751); or to warn others from slipping into the pit into which they had fallen (pp 741, 766) The last pleas of Dr. Pletnev and of Bukharin point out that they were not subjected to any of the gruesome elements of torture referred to in the foreign press. Pletnev apparently wrote a medical monograph while in prison (p. 788), while Bukharin read books and worked, even studying Feuchtwanger's book on the Soviet Union, which he says he got from the prison library (p 778).

If any hint is to be gleaned from the record as to why these men confessed, it is to be found primarily in the final pleas, where each of them talks to an audience far beyond the court room—to the people of his country and even to the intellectuals of the world. Bukharin says that one does not have to understand the "Russian soul" or to read

Dostoyevsky to understand the reason for the confessions (p 777) Perhaps Bukharin should have added that we foreigners might be less puzzled if we understood some of the psychology of the revolutionary The evidence points out clearly that most of these men had undergone arrests and punishment under the old régime Most of them had devoted their lives to the revolution, and elements of selfishness which might have been expected elsewhere were perhaps less present in their cases than foreigners are inclined to expect They were men who thought little of self (possibly excepting Yagoda and the Doctors), and their last pleas bear all the earmarks of having been honest statements to the effect that they had erred, and that they had realized this particularly in the light of the rising Fascist power They ask the workers for whom they have given their lives, not to follow their teaching They remain true to form to the end, sacrificing self for a cause If the reader has no time to read anything else in the record, he should go through Bukharin's last plea, where this psychology is portrayed better than anywhere else in the whole 800 pages of text. It suggests that the explanations brought forward by the political commentators of the world still lack something to be desired Perhaps the solution of what has been termed a mystery is not so difficult as many writers would have us believe

This record is most valuable because it makes it possible for the reader to judge for himself, and as such it is better than a hundred commentaries on the Moscow trials Readers will, of course, come to different conclusions, but at least they will have made up their own minds on the basis of the evidence and not on what others read into it That is the approach for getting at the truth, and it is fortunate that this massive tome has been so faultlessly prepared in English translation for this purpose Only in one or two places can one criticize the choice of English words used to represent the Russian idiom, but these mis choices will not mar the reading

John N Hazard
New York City, July 1938

The American Quarterly on the Soviet Union. Vol. 1, No 1 *New York The American Russian Institute April,* 1938

This promising quarterly has developed from the *Bulletin* originally published by the American Russian Institute, and is a sign of

the healthy growth of American interest in the Soviet Union The first issue opens with an article by John N Hazard, who studied Soviet law in Moscow for three years, on changes and controversies in the theory of law in the first country that is attempting to put the theories of Marx into practice The subject is of very great importance, for it opens to laymen an understanding of the legal philosophy that guides the legal processes of the Soviet Union The article is one more indication that the series of Moscow trials does not represent the climax of a process of repression, but on the contrary is part of a new advance in the struggle to set free the social and economic potentialities of a whole nation and its people

Other articles deal with the oil industry of the Soviet Union and with a successful collective farm in the Ukraine The budget of a sample collective farm family is of great interest Of the five members of the family, the grandmother and a grandchild did not count as workers The three working members put in 850 work days, for which they received 6,239 rubles Part of the house was rented to summer visitors for [illegible] rubles The son made 2,000 rubles by working on the railway in the winter Thus the total income was 9,739 rubles, exclusive of the sale of surplus grain and vegetables received from the collective, and sale of produce from the private household plot

Expenses totalled 8,290 rubles They are interesting in detail, because they show extraordinary variations in the purchasing power of the ruble, which is discussed elsewhere in this issue of PACIFIC AFFAIRS

> A gold tooth for the daughter, 1,000 rubles, alloy tooth for the son, 3[illegible]0, radio crystal set, 171, sewing machine, 120, two suits of clothes and dress material, 1,400, two pairs good shoes, 500, bicycle, 300, motion pictures, clubs, trips to town and other amusements, 1,500, state bonds, 500 taxes, 1,000, repairs to house, 1,000, water pipes, 500

The discrepancy between prices of sewing machine and shoes was checked by the author of the article, Joseph B Phillips, of the New York *Herald Tribune*, and found to be correct.

An article on architecture reveals why Soviet architecture has never rivalled Soviet music, art and literature in making an impression abroad Until recently, there was an extreme shortage of modern building materials Some general principles have already emerged, however. Soviet architecture is going to regard itself as a people's architecture, and will therefore avoid extreme mechanistic and functionalistic designs At the same time, it will not cut itself off from the "bourgeois" past, for it regards the past as a heritage to which it has a right.

Other contents of the first issue include studies of the music of Miaskovsky; documentary material such as the decree stopping Soviet payments to Italian firms, amendments to the Constitution, and chronologies of domestic and foreign affairs It is evident that the *Quarterly* will be indispensable for the formation of intelligent opinion about the Soviet Union.

O L
San Francisco, June 1938

THE FAR EAST COMES NEARER *By H Hessell Tiltman Philadelphia J B Lippincott Co 1937 pp 357 $3 00 (London Jarrolds 12s 6d)*

ALTHOUGH Mr Tiltman wrote before the outbreak of the Far East's current conflict, his book sets the stage for that drama and forecasts its enactment A British author journalist who spent the years 1935 36 studying the prospects of China and the purposes of Japan he was a first hand and sometimes behind the scenes observer of events which constituted the prologue to the grim tragedy of today

He was present during the Tokyo garrison revolt of February 1936 and gives a good reporter s account of what preceded and followed that flowering of the Japanese militaristic spirit It made the lives of Japanese Prime Ministers uninsurable at any price He examined the North China machinations of Doihara and listened, though unbeguiled, while E Amau spoke He took an inventory of Japanese industry, agriculture and natural resources and came to the conclusion that the only real hope of averting warfare in China lay in Japanese led discussions among the powers directly concerned there That hope was dynamited at the Marco Polo Bridge

Mr Tiltman was a bit "sold" on the case for Japan Although condemning Tokyo's "gangster" methods, he agreed largely with the nationalists that meticulously efficient Nippon must, out of economic and political necessity, "civilize" disordered China's sprawling mass. He cites as "realistic" reasons Japan's success in bringing order and sanitation into Manchukuo, the 20,000 young Japanese who rise every month to the estate of requiring employment, the perfection of Japan's closely meshed rationalization of industry And he places utmost faith in the patriotic devotion of a people to an Emperor—a faith which must have been shaken severely by events of 1938

But though the Far East comes daily nearer the man in the streets of London and New York, Mr. Tiltman believes the United States and the rest of the world eventually will come to view the Pacific scene with composure He holds it unlikely that America will ever bring from the Far East to the consecrated soil of Arlington the body of another unknown soldier He discounts even the threat to world peace on the bleak borders of Outer Mongolia Although "outrage" follows "outrage" there with almost daily regularity, he is confident that both sides realize that another Russo-Japanese war would be unprofitable He quotes a correspondent's jest "Tokyo and Moscow must have concluded a secret pact not to make war upon each other Otherwise neither would take the risks they do" Mr Tiltman writes vigorously and entertainingly As a "flash-back" inserted into more recently developed pictures his book is worth reading and it is deserving for yet a while of a place on the busier library shelves.

T. R SUNDE

PROPAGANDA FROM CHINA AND JAPAN. *By Bruno Lasker and Agnes Roman American Council, IPR* 1938 pp 120 $1 50.

SOMEWHAT oddly, all modern war propaganda bears vulgar testimony to the ancient doctrines that right is superior to might and that war is waged in order to secure peace In every war each side tries to present its cause as the just one and to appear interested in the restoration of peace. In the present book the authors have examined a sample of the printed material that has come to the United States from Japan and China in the second half of 1937. Evidently, the old doctrines still hold

The material is taken from pamphlets, books and speeches circulated by propaganda agencies and has been arranged according to issues involved in the various stages of the war and according to type of appeal. The book is indispensable reading for anyone who wants to arrive at a deeper understanding of the Sino-Japanese conflict It is an instructive object lesson in the technique of influencing political opinions as well as in the formation of bias according to the position held in a social struggle Apart from being a case study in propaganda analysis it is a valuable contribution to applied Sociology of Knowledge In fact, the authors might have broadened the conceptual basis of their study by taking cognizance of the research in this new branch of sociology.

The detachment of the authors is remarkable Both sides are objectively represented, sometimes even to the extent that the reader is left at a loss as to whether the Japanese or the Chinese view is correct or comes nearer the truth It should be a principle in propaganda analysis that the investigator must confront the conflicting views not only with one another but also, as far as humanly possible, with the truth Otherwise the effect on the reader might be sophisticated cynicism rather than enlightenment Many quotations in the book indicate that it is more difficult for the Japanese than it is for the Chinese to justify their claims The authors account for this in terms of American sympathies rather than in terms of justice of cause, which, interestingly enough, seems to stifle some of the Japanese propagandistic efforts

Propaganda from the Far East is more factual and reasonable today than it used to be a few years ago Nor is it so crude as some of the material circulated during the World War Quite frequently the propagandistic character merely consists in omission, emphasis or coloration, rather than in downright lies The authors attribute this progress to an increasing familiarity with propaganda techniques on the part of the American public This optimistic interpretation may be correct It is possible, however, that the authors underrate the influence of other factors which have a bearing on the situation The material of the sample is of a relatively high standard It addresses itself to an intellectual elite rather than directly to the public Yet the intellectual level of propaganda tends to fall as the group which it is intended to reach increases in size and ignorance Similarly, the authors point out that America's economic and emotional stake in the Far Eastern conflict does not compare with the situation in the World War Perhaps these favorable circumstances rather than the restricting influence of intelligence have prevented the recent propaganda from reaching extreme viciousness

HANS SPEIER

PACIFIC DIGEST Vol I, Nos 1 3, Vol II, Nos 1-4, (October, 1937 to April, 1938) *Hongkong 223, Hongkong & Shanghai Bank Bldg, P O Box 854 U S $3 00 a year.*

FOR the majority of the readers of PACIFIC AFFAIRS, the three languages most difficult of access are Chinese, Japanese and Russian And they are languages of a special importance at the present time

What could we learn, if we were able to read Japanese, of the spirit of discipline and united fervor which we are told is characteristic of the Japanese people? Are the Chinese uncertain and desperate, or is their spirit more firm than it has ever been? What does the Chinese press offer to Chinese readers in this time of crisis? Again, is the Soviet press devoted to dictatorial suppression of the truth, or does it let the citizens of the country know what is really going on in the world, what the real issues are—and let them form their own opinions?

Many of the answers are to be found in *Pacific Digest* The translations from Japanese newspapers and magazines are interesting in a very curious way In the first place, assertion, declaration, exhortation and repetition almost entirely take the place of statements of fact—especially unpleasant fact. Logical argument based on facts fairly faced and honestly analyzed is not to be found In the second place, there are surprising evidences of doubt and even fear, but these are expressed in hints, respectful suggestions to the authorities and deferential comments which are worded to look like endorsements of official policy, but manage to convey the impression that all is not perfectly well In short, the secret of Japan's weakness is not so well kept in Japan as it is in most of the "neutral" press

By contrast, the Soviet press is robustly democratic There is a fervent sympathy for China, but no easy-going pretense that China can be saved simply by letting Japan defeat itself The Soviet press is free of the bogus "neutrality" which disgraces a large part of the American and, still more, the British newspapers—the formula that if you say something nasty about the Japanese you must also say something disparaging about the Chinese, and the assumption that other countries are not concerned and cannot do anything about it, anyhow. This does not mean that the weaknesses of China are disguised from Soviet readers, on the contrary, they are discussed and criticized—but intelligently and constructively The military articles are particularly good

Most interesting of all are the translations from the Chinese Here the range of good and bad quality reflects a nation in agony Is it the agony of collapse, or does it presage the rise of a stronger, sounder nation? Evidently China is not yet free of hysteria and sentimentality Evidently there are still, in high and influential places, those pestilential moralists whose horizon is bounded by the idea of persuading the coolie that his glorious duty is to die for his natural lords and masters, the bureaucratic officials and the "cultured" landlords—the scholar-gentry.

Even more important, however, is the bold discussion of the immense

reforms and sacrifices that are necessary to enable China to save itself and defeat Japan Problems can be openly debated in the Chinese press today that could only be whispered about by "agitators" a couple of years ago This is because the Chinese people have to be given liberties and land and work—things that are worth defending—if they are to defend themselves with the hard, unflinching courage that is necessary China is taking its place beside Spain in devotion to the democratic faith that armies can only defeat armies, and that no army can defeat a whole people in arms

The "source material" available in *Pacific Digest* month by month gives it a unique value both for reference use in libraries and for teaching use in courses on political science, contemporary affairs and international relations

O L

San Francisco, June 1938

A Course of Colloquial Chinese *By S N Usoff Book I—English Edition, adapted from the Sixth Russian Edition in collaboration with C Tyrwhitt Peiping Henri Vetch* 1937 *pp* xiv + 3[illegible] *Indices and Tone Table Chinese text published in separate volume pp* ix + 246 *Illustrations 2 vols* $3 50

Literary Chinese by the Inductive Method Volume I The Hsiao Ching *Prepared by Herrlee Glessner Creel, Editor, Chang Tsung-ch'ien, Richard C Rudolph Chicago The University of Chicago Press* 1938 *pp* xiii + 188 *Indices* $3 00

Study of the Chinese language, long regarded as an exotic pursuit for the very few, has in recent years captured a much wider field The present volumes inaugurate two new series of texts, of which the first will comprise four books, and the second an indefinite number of volumes to be issued over a five-year period Professor Usoff's series begins as an exponent of the well-known "direct method", Professor Creel's, as the name implies, embarks on a new experiment in what is named the "inductive method" The purpose of the first is to help the beginner in learning to speak Chinese "It is assumed that a Chinese teacher is essential, who should speak Chinese only" The purpose of the second is "to assist the mature student in learning to read Chinese" While the course is "not designed primarily for use without a teacher"

it is hoped that it may be "helpful to those who find it impossible to study otherwise."

For learning to speak a modern language, the direct method is undoubtedly the most successful approach. Students outside of China would find it difficult to duplicate the exact conditions prescribed by Professor Usoff, but this should not stand in the way of a profitable use of the book. The total vocabulary of Volume I appears to be about 350 words. These are employed in about 2,000 sentences, arranged for the most part as questions and answers. The sentences are written in romanized transliteration, with indications of the tones and stressed syllables. The grammatical notes are in the style made familiar by other Peiping publications, and represent *ad hoc* explanations of particular phrases rather than any consistent philosophy of Chinese syntax. This is, of course, no detriment for the student who is to learn speech through actual practice, but rather, perhaps, an advantage, since the aim of the direct method must be to reproduce, as far as possible, the conditions under which language is first learned by a child. Uncritical memorization of phrases, frequent repetition of sentences without any effort of analysis, naive imitation of what is heard—these are the processes by which one makes a foreign language one's own.

For such practice Professor Usoff's book furnishes material in abundance. The limitation of the method is that it is forced to deal mainly with concrete objects which may be pictured or pointed to. The lessons range over such subjects as the family, shopping, clothes, the restaurant, school, the post office, cinemas, hospitals and hotels. To this must be added a limitation which is of peculiar concern to students outside of China, namely, that the complete success of the method depends on constant practical contact with the language. While the possibilities for this are undoubtedly greater than those hitherto taken advantage of, it is in general true that the student not living in China has painfully little contact with spoken Chinese. His interest must of necessity center on the literature, and his chief effort be devoted towards learning to read. This involves a different choice of materials, particularly as regards vocabulary. Literature contains more of the abstract than everyday speech. The 1,000 words most commonly *written* in English, as given in the Thorndike Word List, do not include such "common" words as *cat, mouse, knife, lamp, aunt, servant, bowl, dish.*

These considerations are no reflection on Professor Usoff's book. Even a reading course should profit from a judicious admixture of conversational practice. This keeps the ear trained, which is of peculiar

A discussion of the theory of language lies outside the scope of this review, which is concerned with the practical qualities of Dr Creel's work as a textbook Besides the etymological information already referred to, each character is provided with a complete list of the meanings with which it has been associated from earliest times down to the present While much of this may be irrelevant to the study of the *Hsiao Ching*, the convenience of having the dictionary brought to one's door is one for which beginners who have struggled with it will be thankful In addition, there are some helpful notes on personalities and customs referred to in the text

Despite the hope of its authors, it is not conceivable that a beginner could make a translation of the *Hsiao Ching* without more instruction than is provided While a great deal of information is given about individual characters, there is very little regarding the really important matter of sentence structure A few grammatical terms, such as "emphasizing particle" and "expletive," have been borrowed from Brandt, but there is no attempt to illustrate their functioning This field has perhaps been intentionally left free for the teacher who will use the book. Dr. Creel's own attitude is summed up in the statement that "in Chinese, as in any other language, usage has established a variety of rules, so numerous that they could never be stated as such, which may gradually be learned by experience, these make clear what might otherwise be incomprehensible" Whatever be the truth of this, it must appear disheartening to the student who hopes to build on the accumulated experience of his predecessors

There is much of interest in Dr Creel's book, and one may wish for it a varied career, without necessarily recommending it to the beginner It is a model of artistic work, both as regards its English and its Chinese calligraphy As a whole, however, it gives the impression of an enormous expenditure of energy without any clear notion of an aim This expenditure was made necessary, according to Dr Creel, by the fact that "it seemed impossible to find a beginners' textbook appropriate to the need of the university student studying outside of China" This seems a rather harsh judgment on the long line of scholars who have hitherto tried to introduce their students to the language And with all their deficiencies, one may still find a book or two in which the problem is tackled with more real understanding than in this latest introduction to Literary Chinese

GEORGE KENNEDY

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New Books of Importance to Members of the Institute of Pacific Relations

Bolshoi Sovetskii Atlas Mira (Great Soviet World Atlas) Vol I Editors A F Gorkin O Y Shmidt V E Motylev M V Nikitin, B M Shaposhnikov (Scientific Publication Institute of the Great Soviet World Atlas Moscow, 1937 R [illegible] $40 00) This, the first of three volumes, contains over 65 maps of the world, [illegible] maps of the Soviet Union, and a wealth of material on current developments in the U S S R largely based on data hitherto unavailable

Land Utilization in China by J Lossing Buck (Commercial Press Shanghai Oxford London U of Chicago Press 1938 Set $15 00 Vols I and II $5 00 ea Vol III $10 00) Reviewed in this issue, see p 499

Agrarian China Selected Source Materials from Chinese Authors compiled and translated by the Research staff of the Secretariat I P R Introduction by R H Tawney (Oxford London [illegible] Chicago 1938 $[illegible]) A report in the International Research Series of the I P R

American Far Eastern Policy and the Sino Japanese War edited by Miriam S Farley (American Council I P R New York and San Francisco 1938, 5 0 c) [illegible] American Council [illegible] this is a record of discussions in seven regional conferences held under the auspices of the American Council in the spring of 1938

The Small Industries of Japan Their Growth and Development by Teijiro Uyeda and associates (Oxford London 1938 15s) A report in the International Research Series of the I P R, issued under the auspices of the Japanese Council

Eastern Industrialization and Its Effect on the West by G E Hubbard (Second and revised edition Oxford University Press, London 18s New York $4 00 1938) This book has not only been brought up to date but has also been recast in order to allow for changes of emphasis resulting from developments since it was first issued in October 1935

Japan in China by T A Bisson (Macmillan New York 1938 $3 00) A comprehensive detailed account of developments in the Sino Japanese war carried well into 1938 and indicating probable future trends

Japan in China by K K Kawakami (John Murray London 1938 5s) An outline from the Japanese point of view of events that have led up to the present conflict between Japan and China with indications as to the future

The Japanese Canadians by Charles H Young H R Y Reid and W A Carrothers Edited by H A Innis Published under the auspices of the National Committee for Mental Hygiene in Canada and the Canadian Institute of International Affairs (University of Toronto 1938 Can $2 25 plus 15¢ postage) An account of the difficulties of the Oriental in British Columbia, including a study of Oriental standards of living in that province

Contemporary New Zealand A Survey of Domestic and Foreign Policy Preface by the Hon Wm Downie Stewart (Whitcombe and Tombs Ltd Oxford, London 1938) A symposium, containing the results of research carried out by members of the New Zealand Institute of International Affairs dealing with social and economic life in New Zealand, with some account of the country's relations to the rest of the British Commonwealth

Press Radio and World Affairs edited by W MacMahon Ball (Melbourne University Press 1938 Aus 2s, plus postage 6d) A study of the main sources of Australian public opinion issued under the auspices of the Victorian Branch of the Australian Institute of International Affairs

GERMANY'S FAR EASTERN POLICY UNDER HITLER

LAWRENCE K. ROSINGER

The victory of National Socialism in 1933 brought a sharp reorientation of German foreign policy. Hitler had inscribed upon his banners the destruction of Versailles, formation of a great Central European Reich, and the acquisition of the Ukraine. Clearly, Japan—an enemy in 1914-18 and a negligible quantity in the foreign policy of the Weimar Republic—would hold a new significance for the Third Reich. Nevertheless, despite the necessity of a Japanese alliance for an expanding Germany, important inconsistencies appeared in German Far Eastern policy, giving rise to much confused speculation in the outside world.

In the 1920's German industry rapidly regained the position it had lost in China as a result of the World War. It was aided in this by its own efficiency and the greater willingness of China to deal economically with a country which was without special political privileges. As a result, by 1926, according to German figures, the value of German trade with China exceeded that of 1913 both in imports and exports. In 1913 Germany had held 4.7 per cent of China's foreign trade and 1.3 per cent in 1921, but the figure was 4.2 per cent in 1930 and 6.6 per cent in 1932. German trade with other Far Eastern countries also rose well above 1913, but not to the same extent as in China. This trading strength extended into the field of capital investment in 1931, when the Deutsche Lufthansa supplied one-third of the capital for the establishment of the Eurasia Corporation (one of China's two main air services), the remaining two-thirds being furnished by the Nanking Government. The previous year, at Nanking's invitation, a special German commission had been sent to China to investigate economic opportunities there.

A few years later, a German consortium, led by the important firm of Otto Wolff, negotiated several railway contracts: in 1934 a loan of Ch. $16 million for the 300 kilometer Yushan-Nanchang

section of the Chekiang-Kiangsi railway; in 1936 another loan of Ch. $20 million for the 200 kilometer extension from Nanchang to Pinghsiang; and, late in the same year, a third loan of Ch $40 million, Ch $30 million of this to be used for a 1000 kilometer railway from Chuchow to Kweiyang and Ch. $10 million for a Peiping-Hankow railway bridge across the Yellow River. When the new Japanese invasion began in 1937, the Yüshan-Nanchang line had been completed and that from Nanchang to Pinghsiang was under construction, but work on the Chuchow-Kweiyang line had not yet begun.

Germany's greatest economic success, however, was in its barter agreements with China, exchanging the products of German heavy industry for such important Chinese raw materials as antimony, tungsten, hides and oilseeds In its report for 1935 the German Chamber of Commerce in Shanghai declared that the "compensation allowance" agreement had enabled Germany to displace Great Britain as third in China's imports and that the elimination of the arrangement "would paralyze German trade in China."[1] About June 1936 a barter agreement for Ch $100 million was concluded, and this, despite certain difficulties, had an even more stimulating effect on German-Chinese trade German trade figures tell the story German exports to China were RM. 74 million in 1934, RM 94 million in 1935, RM. 126 million in 1936 and RM 148 million in 1937. Imports from China increased from RM 52 million in 1934 to RM. 94 million in 1937. It was not without reason that, referring to the energy of the German traders, Sir Frederick Leith-Ross was moved to say to the China Association in London. "I think we might well take a leaf out of the German book."[2]

Official Chinese interest in Germany increased sharply, from 1933 Berlin now received such distinguished visitors as Chang Hsueh-liang, Hu Han-min, Wang Ching-wei, T'ang Leang-li, Tai Chi-t'ao and Chiang Wei-kuo (son of Chiang Kai-shek), as well as a host of lesser personages. Naturally, a visit to Germany did not of itself demonstrate sympathy with National Socialist ideas, but it is clear

[1] *Ostasiatische Rundschau*, May 16, 1936, p 254

[2] *Ibid*, March 1, 1937, p 118.

that the Chinese Government, then engaged in war with the Communists and troubled by the advance of Japan, saw the possibility of aid from the Government of Germany, which was also anti-Communist and had only recently, as it appeared, increased its strength to such an extent as to be able to defy the world.

Nanking appreciated also the aid of German military experts in fighting the Communists. In view of certain mistaken impressions, it is important to note that this military mission was formed in 1927-29 (long before the National Socialist victory), was never official (the Weimar Government repudiated it), was not composed entirely or, perhaps, even chiefly of National Socialists, and went to China not in order to build an army against Japan, but to help Nanking against the Communist forces. After 1933, it is true, the German Government brought the mission under its general influence, but the advisers remained in China in an unofficial capacity and on private contracts.

The commercial interests primarily concerned with China found political support in the Reichswehr, the German army, whose policy since 1918 had been to avoid fighting a war on two fronts. Considering France Germany's main enemy, Reichswehr leaders carried forward energetically (through technical cooperation with the Soviet army) the official Weimar policy of friendship with the Soviet Union. When Hitler came to power, the Reichswehr did not change its fundamental position. Its former chief, General von Seeckt, argued that Germany must never join Japan and other Powers in encircling Russia; on the contrary, since National Socialism suppressed Communism so vigorously at home, it need not fear internal repercussions from a Soviet alliance.[3]

The Reichswehr did not confine itself to theory, but after the accession of Hitler (and almost certainly with his knowledge) continued its military relations with a group of Soviet generals, led by Marshal Tukhachevsky. Although our knowledge of these events is fragmentary, it seems clear, in line with the interpretations of such informed writers as Wickham Steed and "Pertinax,"[4] that the Rus-

[3] See General von Seeckt's pamphlet, *Deutschland zwischen West und Ost*, Hamburg, 1933.

[4] Wickham Steed in *New York Times*, July 4, 1937, I, p. 13. "Pertinax," *ibid.*, August 1, 1937, I, p. 26. See also, *ibid.*, June 15, 1937, p. 6, col. 7.

sian generals were planning the overthrow of the Soviet Government and that, if successful, they envisaged a German-Russian alliance which Japan could easily join. Thus the foreign policy of the Reichswehr and Hitler would find a common solution. In fact, however, the Soviet generals were executed, and Reichswehr policy thereby lost its realistic basis.

While this was going on, various German commercial interests were finding Japanese competition increasingly difficult to meet not only in China, but in the Dutch East Indies, South America and even at home. Complaints were usually of a rather immediate character, although some went further into a general consideration of Japan's purposes. Thus, we find one keen representative of the trading view making this statement:

> Every square mile of Chinese soil that falls under the influence of Japan is more or less lost to the trade and industry of other countries, as the example of Formosa, Korea and Manchuria shows, and—apart from the question simply of economic competition—strengthens the economic basis of our keenest competitor in Far Eastern markets, Japan. Every square mile of Chinese soil that is maintained under the sovereignty of China, offers to foreign trade and the activity of foreign industry rich possibilities for the future, strengthens the economic basis of China and gives China therewith the possibility of paying for its rising imports with its exports.[5]

This point of view was not, however, to dominate German Far Eastern policy. The immediate economic interests of the China traders were finally to be sacrificed for the purpose of securing an ally and for the gains—partly immediate, but lying mostly in the future—which Hitler and German heavy industry hope to derive from their own and the Japanese conquests. Therefore, although German heavy industry let no economic opportunity pass in China, and although the German Government (by no means desiring to see Japan go beyond North China) worked constantly toward a German-Japanese-Chinese bloc, Hitler nevertheless found himself

[5] *Zeitschrift für Geopolitik*, September 193[illegible], p. 568. This attitude was reciprocated by certain sections of Japanese industry. The *Oriental Economist* (July 1937, p. 40[illegible]), rejoicing over certain difficulties in German-Chinese trade relations, declared that in China "there is hardly a line of Japanese manufacture that does not find in German goods its strongest competitor."

forced by his own purposes and the course of events to move steadily toward a more and more openly pro-Japanese position

Representatives of this dominant point of view declared plainly that politics must be placed above economics As early as October 1933, Dr von Dirksen, then newly appointed Ambassador to Japan stated, after stressing German-Japanese friendship, that "economics belongs to politics" He added significantly "Nevertheless, or just because of this, I am fully conscious of the tasks before me in [German-Japanese] economic relations"[6] In other words close economic relations with China should not lead Germany to follow a pro-Chinese policy, but economic relations with Japan should be encouraged, in order to make easier the political understanding already decided upon

It is important to note that one attitude held by certain trading circles fitted in with these governmental plans the feeling that, although Japanese competition was keen and foreign policy must not antagonize China, something might yet be gained from agreements of a purely economic character with Japan and even Manchukuo True, it was doubtful whether Japan would allow any considerable German trade with Manchukuo, but it would not hurt to try Besides, German purchases of Manchurian soya beans (the chief item in the German-Manchurian trade) fell sharply in the three years 1933-35, because Manchuria bought little from Germany, and the latter therefore lacked exchange A barter agreement might remedy this situation

Therefore the German Government found negotiations for such an arrangement a very practical early step in the development of its relations with Japan An agreement reached in 1934 proved a failure In the autumn of 1935 an official German economic commission went to Japan and Manchukuo and began new discussions Under the resulting German-Manchurian trade agreement of April 30, 1936, German purchases from Manchuria were to total MY 100 million annually, and Manchurian purchases from Germany MY 25 million If Germany lacked sufficient foreign exchange, its total purchases might be reduced to MY 65 million, and the Manchurian

[6] *Ostasiatische Rundschau*, November 1, 1933, p 474

purchases proportionately. In any event, three-fourths of the German payments were to be in Manchukuo currency and one-fourth in Reichsmarks This agreement was renewed for three years in May 1937, but in July 1938 a new pact was concluded, under which Germany was to buy two million tons of soya beans annually at a cost of MY 200 million, while Manchukuo was to take German goods worth MY 50 million

These barter arrangements clearly benefited Japan in Manchuria and also helped Germany, in that they revived the soya bean trade Down to 1938, however, Manchurian purchases from Germany were far below the required 1 4 ratio During the first year, in fact, though German purchases rose sharply, Manchukuo actually bought less from Germany than the year before Berlin, however, overlooked such developments for political reasons. As its trade commissioner in Hsinking declared in June 1937, sacrifices were undertaken on both sides because "above the material ends which were pursued through the agreement, there was a desire for cordial friendship "[7]

In the past year, however, there has been a change in the situation Since Japan is now seeking a rapid development of Manchurian war industries, new opportunities for German heavy industry have appeared In the first five months of 1938 Manchurian purchases from Germany exceeded in value those for the whole of 1937, while the ratio of Manchurian to German purchases rose to 1 2 6 Thus German expansionist circles began to see a partial realization of hopes long cherished

Even before this, heavy industry had received some Manchurian orders. The Showa Steel Works, by far the most important subsidiary of the South Manchuria Railway Company, was established by German engineers using considerable German machinery. Subsequently, additional orders were placed in Germany. The most important developments came, however, after the beginning of Japan's new invasion of China in 1937 In November 1937, the German Government concluded with Manchukuo an agreement under which the Otto Wolff group (formerly connected with Chinese

[7] *Ibid.*, July 1, 1937, p 360

railway loans) extended a £2 million credit to Manchukuo for six years at 5½ per cent interest, chiefly for German machinery. Ninety per cent of the loan was to be repaid through Manchukuo's special Reichsmark account in Germany and 10 per cent in £ sterling drafts. If this was successful, a second and third credit might be extended.

Shortly afterward the Showa Steel Works announced that two-thirds of the machinery and materials for its expansion program would come from Germany. There were reports also that Japan, Germany and Manchukuo would establish a ¥ 100 million airplane factory in Hsinking, thus opening a new field to the Deutsche Lufthansa, whose Eurasia interests in China were imperilled by the war. In March 1938 representatives of Carlowitz and Krupp suggested to the Japanese authorities in Peiping a barter arrangement under which German machinery would go to North China and the banknotes of the Japanese-controlled "Provisional Government" would be accepted in payment. In addition, 1937 saw a change in German trade relations with Japan. The balance of trade had long been greatly in Germany's favor, the ratio of German sales to purchases being about 4:1, according to German figures. The former remained at about the same level, however, during the five years 1932-36 and, in the latter year, even fell slightly to reach a new low. At the same time German purchases from Japan were rising somewhat. In 1937, first year of the war, sales to Japan suddenly skyrocketed from RM 75 million to RM 117 million, thus bringing in new profits.

All these economic developments were accompanied by important diplomatic and political negotiations. Early friction over Japan's retention of Germany's former South Sea colonies and over the racial question was soon alleviated. In the spring of 1933 Lieutenant-Colonel Ott was sent on a six-months study-trip in Japan and Manchuria. Subsequently he was appointed German military attaché in Japan and played an important part in the conclusion of the German-Japanese alliance of 1936. His appointment as German Ambassador to Japan in April 1938 revealed the military character of that agreement.

Late in 1933, at the Nuremberg Party Congress, Hitler had expressed friendliness toward the Japanese, and by the end of the year an understanding was rumored. In May 1934, when Vice-Admiral Matsushita arrived on an official mission to Germany (where he was received by von Hindenburg and Hitler), he was told that "True Prussianism and the ancient Japanese knightly spirit have from of old been in close sympathy."* That year, also, the German-Polish 10-year non-aggression pact was concluded. Since it is generally understood to be directed against the Soviet Union, the visit of Prince Kaya to Berlin and Warsaw that summer suggests that negotiations for a tripartite agreement may have been going on.

In 1935 there were more Japanese military visitors to Germany: in mid-May a Japanese naval delegation, in the fall of the year a Japanese arms commission, and, at the beginning of November, Admiral Godo, President of the Showa Steel Works. Finally, on November 30, 1935, there began in Berlin a four-day conference of all the Japanese military attachés in Europe. In December the initialling of a secret military pact was rumored, and the following month there were reports of its being signed, some sources giving the date as January 4, 1936. One writer came close to the mark by predicting that an anti-Communist accord would be issued for public consumption, in order to hide the military character of the agreement actually reached.

Though an agreement was apparently reached at the beginning of 1936, the anti-Comintern agreement was not announced until November 25, 1936. The reason for the delay can only be surmised: perhaps Reichswehr opposition caused the German Government to hesitate. There is less doubt, however, about the character of the pact itself. Though it was nominally directed against the Comintern, its object was generally understood to be not simply the Soviet Union, but a whole group of nations. The London *Times* charged, for example, that it contained a secret clause for the partition of the Dutch East Indies. Certainly, German writers friendly to Japan have more than once admitted frankly that Japan has designs upon these islands. One writer even suggested a few years ago that the

* *Ostasiatische Rundschau*, May 16, 1934, p. 240.

Japanese wanted the Dutch East Indies, Australia, California, Mexico and South America![9]

In 1937 and early 1938 the contradictions within German foreign policy, not merely in the Far East but all over the world (Spain, Austria, Czechoslovakia, and so forth), came to a head. The strength of the opposition to a pro-Japanese policy was influenced by the fact that in the first six months of 1937 German economic prospects in China appeared brighter than at any time since the World War. German traders welcomed the growing unity of China after the Sian seizure and release of Chiang Kai-shek, and saw vast economic panoramas before them. This was revealed most clearly at a dinner given Dr. H. H. Kung in Berlin on June 9, 1937. Dr. Hjalmar Schacht, President of the Reichsbank, suggested that German-Chinese friendship stemmed in good part from the hard struggle of both nations in recent years for national independence, and declared that "Germany, as one of the leading industrial countries, can stand at China's side with counsel and action." In his reply Dr. Kung said: "China considers Germany its best friend. . . . I hope and wish that Germany will participate in supporting the further development of China, the opening up of its sources of raw materials and the upbuilding of its industries and means of transportation."[10]

After Japan invaded China in 1937, the inner German conflict developed further. A few commercial writers went so far as to show a certain friendliness toward the Chinese Communists. One declared that if Chiang Kai-shek had rejected a united front at home and a non-aggression pact with the Soviet Union, he would have committed "a crime against his own people."[11] The Reichswehr stated firmly that Japan was too weak to be dependable as an ally. The *Deutsche Wehr*, organ of the German General Staff, declared that there was "no basis" for the belief that Japan would finally win in China, compared the invasion of China with Napo-

[9] Hansjulius Schepers, in *Zeitschrift fur Geopolitik*, November 1934, p. 700.

[10] *Ostasiatische Rundschau*, June 16, 1937, pp. 330-1. Nothing brings out more clearly the split over Far Eastern policy than the fact that on the very same day the German Trade Commissioner in Manchukuo (as quoted above on p. 426), was stressing the necessity of mutual economic sacrifices for the sake of promoting German-Manchurian friendship.

[11] Christian Kroger, in *Zeitschrift fur Geopolitik*, February 1938, p. 91.

leon's campaign in Russia and predicted that, though Japan might "seize fragments of territory," China would remain "invincible" and "filled with irreconcilable hatred."[12]

The German Government was disturbed by this internal dissension as well as by the danger that its Japanese ally would dissipate its strength in China and thus render itself unable to give Germany support in a war against the Soviet Union or in a diplomatic crisis. Besides, though recognizing that certain economic sacrifices would have to be made to Japan, German heavy industry was not anxious to have Japan take over the whole of China Therefore, from late October 1937 until past mid-January 1938, Germany attempted mediation to end the war. This proved impossible, however, for Japanese foreign policy was even more crudely belligerent than that of Germany, and Chinese unity permitted no more yielding of Chinese soil. Consequently, on January 19 Germany announced the failure of its efforts.

A showdown came at this time in the German Government, and in this the Far East played a certain part. Ranged against the pro-Japanese policy were various commercial interests, the Reichswehr, Dr. Schacht and the Ministry of Economics On the other side stood Hitler and the Foreign Office, which had already prohibited the financing of shipments of railway materials to China by Otto Wolff In the opening days of February, therefore, the Army and Government were overhauled and Hitler's power made even more direct than before On February 20, 1938, in a Reichstag address which had been delayed because of the crisis, the German Chancellor announced, among other things, that Germany would recognize Manchukuo. Though professing neutrality, he declared China too weak to resist Communism and stated that a Japanese victory would be "infinitely less dangerous" than a "victory for Bolshevism."

Even then Germany did not move precipitately. It knew that unqualified support of Japan would simply cause the Japanese military to be more intransigent than before and would lead to a greater dissipation of Japanese strength in China and a greater ruin of immediate economic possibilities in China. Therefore formal recognition of Manchukuo was not consummated immediately, but was

[12] Quoted in *The Living Age*, December 1937, p 289

delayed until May, while German arms, which were now supposedly being denied to China, trickled into that country until early in the summer of 1938

On the other hand, at the beginning of April, as already mentioned, Major-General Ott became German Ambassador to Japan, while toward the end of May the most glaring contradiction in German Far Eastern policy was removed with the recall of the German military advisers from China. Here it is necessary to repeat that it was not until the beginning of war in 1937 that this mission's activities, as a result of the course of events, really began to work against Japan Nor is it correct to say that the mission was the backbone of China's military forces, or that it was responsible for China's adoption of guerilla strategy (which, quite obviously, emerged from the experiences of the Chinese Communists in the civil war with Nanking). Therefore, although the mission made significant contributions to China's defense, its importance must not be overemphasized.

Two main conclusions for the future emerge from the material presented here. First of all, despite contradictions, the German-Japanese alliance must be considered firm Further proof of this was given in mid-September 1938 when, as the Czech crisis was approaching its height, a Japanese Foreign Office spokesman declared "If the situation makes it necessary, Japan is ready to fight in every way, with arms, if necessary."[14]

Secondly, the alliance is not directed against the Soviet Union alone, but is an alliance of general expansion. This has been stated so clearly by the *Oriental Economist*, of Tokyo, that further comment is hardly necessary Writing of Italy's adhesion to the anti-Comintern accord, it said:

> While the pact ostensibly aims at combating the Comintern as before, that was so only superficially even when it was still a Japanese-German agreement. . . . Italy's participation gives the distinct impression that the Soviet Union has become but one of the many objectives of the instrument. . . . While the pact fails to note that in black and white, a commonsense interpretation at least will be that it implies a moral

[14] *New York Times*, September 17, 1938, p. 2, col 6

understanding for aligning these "Have Not" nations for the common cause.[14]

Bearing in mind the British willingness to yield to aggression all over the world, and the Soviet Union's clear determination to resist aggression, it may safely be prophesied that Japan's next drive in the Far East, supported by Germany and Italy, will not be against Siberia but against British and French interests.

New York, October 1938

[14] November 1937, p. 633.

FRENCH NEUTRALITY DURING THE SINO-JAPANESE HOSTILITIES

ROGER LEVY

AMONG the neutral powers, France holds a special position i the Far East French Indo-China has a land frontier coterminous ith Chinese provinces whose importance will increase as the Japa- ese invaders advance On the other hand, the coast of Indo-China es open to that part of the Pacific in which the strength of the panese navy is at its maximum M Albert Sarraut, on November 5, 1936, drew the attention of Frenchmen to their rich and varied ritage in the Pacific What is to become of this heritage? What e the dangers which threaten it, and by what means can they be orcized? The strictly political aspects were discerned more than years ago by the French diplomats who wrote that in spite of the mits which might be set to the ambition of Japan in China, its fluence there would always remain very great "In Far Eastern fairs Japan will henceforth be, and Europe must recognize it, a minating force, and it is on Japan above all that peace or war ill depend."

Before making any comment on the most recent diplomatic agree- ents which have governed the politics of the Far East and the orld from 1936 to 1938, the treaty of mutual assistance signed by rance and the Soviet Union on May 2, 1935 must be considered he report of M Henry Torrès, a member of the Chamber of eputies, to the Chamber's Committee on Foreign Affairs made allusion whatever to the repercussions which this treaty might ovoke in Japan. The treaty and its protocol clearly stated that they plied to Europe and Europe alone, but they have often been con- dered in Japan as if they were a threat Thus Mr J Wakatsuki, rmer President of the Privy Council in Japan, defined the follow- g apprehensions "Russia has thus consolidated its position in urope, which will permit it to concentrate its strength in the Far ast. The French Government has given the assurance that this

treaty is intended to apply only to Europe Nevertheless it cannot be doubted that the Russian policy of eastward expansion has been greatly aided"

France, in negotiating this treaty with the Soviet Union, was careful to reserve complete freedom of action in case of a conflict between the Soviet Union and Japan The treaty cannot operate—and even then it can only operate under stated conditions—except in the case of unprovoked aggression against one of the two powers "by a European state" Accordingly, in the event of a conflict between the Soviet Union and Japan, France would not even be obliged to maintain what is known as benevolent neutrality in favor of the Soviet Union

Although the Franco-Soviet treaty, expressly European in character, was originally conceived as part of a system into which it was hoped other European states, especially Germany, would enter Germany and Japan made it a pretext for coordinating their combined policy more closely The conclusion of the treaty between Germany and Japan brings us to the crux of the situation Foreseen ever since 1935, considered inevitable by the French delegates who took part in the Yosemite Conference of the Institute of Pacific Relations in August, 1936, the convention concluded between Germany and Japan against the activity of the Third International was signed on November 25, 1936 Its object was defined in the preamble as collaboration in defense against Communist subversion and refusal to tolerate the activity of the Comintern in the affairs of other nations

These were the terms as printed, but the attached protocol provided for the setting up of a permanent commission to take the necessary steps to counter the subversive work of the Comintern This commission allows for the adoption whenever needed of forceful action decided on in common The agreement itself is more pregnant with consequences than appears at first Germany and Japan, to extend their system of defense from the national to the international sphere, adopted a policy of the ideological division of Europe and the formation of two blocs of antagonistic powers.

Does the agreement imply over and above its expressed ideological trend a policy of implementation? On the Japanese side there have

been assurances that there are no secret clauses, and above all, no military clauses. M. Albert Sarraut has commented that this reveals a policy of maneuvering against Europe through Asia and using diversions in Asia to facilitate what is undertaken in Europe. It is highly probable that over and above the common effort against Bolshevism, the agreement provides for technical military help for Japan This would inevitably imply, as anyone knows who is aware of Japan's weaknesses, German help in the modernizing of the Japanese army, in motorization, in the renovation of obsolete war material and the equipment of war industries, in which Germany would provide powerful assistance in such things as liquid explosives, the manufacture of engines, aviation, and the improvement of Japan's chemical industry, which is short of efficient equipment. Germany would get in return raw materials of special military importance, but its principal reward would be in a greater liberty of maneuver in Europe, thanks to the diversion which Japan would undertake in Asia, a diversion coordinated between the two countries under a permanent technical military board

The anti-Communist pact offered both Japan and Germany, and later on Italy, a method of operating through concerted political, diplomatic and military offensives in widely separated parts of the world, compelling their future opponents either to divide their strength or to give way.

The German-Japanese treaty signed at the end of 1936 coincided with the Italian threat in the Mediterranean, which at that time immobilized a large part of the British fleet and left Japan with a free hand in Asia Japan knew that henceforward it could count on assiduous German activity in watching over and restraining the activity of the Soviet Union in Europe. Then, in July 1937, there occurred the Lukouch'iao incident in North China, which was the starting point (rather than the cause) of new hostilities against China, which brought about profound modifications in the diplomatic relations between China and the Powers, not to mention changes in the equilibrium of the Powers themselves.

The first symptom was the Sino-Russian treaty. China was looking abroad for the support it needed. Signed on August 21, 1937 at Nanking, the treaty declared that in the event of either China or

the Soviet Union becoming the victim of aggression on the part of a third power, the other signatory would not aid the aggressor.

Japan was quick to argue from this that the struggle against the bolshevization of Asia was really necessary, and that the reconciliation between China and the Soviet Union indicated the trend of the future. This, to the ordinary mind, is an abuse of logic. The very recent character of Sino-Russian friendship must be taken into account. For instance, the treaty signed between the Soviet Union and the Mongol People's Republic at Ulan Bator on March 12, 1936 was very badly received at the time by the Chinese Government. This treaty was much more friendly and much more specific in its undertakings than the later treaty between the Soviet Union and China. The Russians and the Mongols promised each other to take all necessary steps to defend their respective territories, and provided for complete military assistance. The Soviet Union would not allow Mongol territory to be violated by the Japan-Manchukuo forces and Mongolia was placed in practice if not in theory under Russian suzerainty. Now, the day this treaty was published the Nanking Government protested vigorously that Outer Mongolia is an integral part of the Chinese Republic, and that the protocol was accordingly a violation of Chinese sovereignty. It appealed to the Soviet-Chinese agreements of 1924, which had reestablished relations between China and the Soviet Union. These agreements stated that Mongolia is dependent on China, not on the Soviet Union. After the lapse of 12 years the Soviet Union actually revived in 1936 the state of affairs which had existed in practice before the beginning of the War in 1914, and revealed its permanent ambition to establish its sovereignty over Outer Mongolia.

What was the practical significance for China of the treaty that the Soviet Union signed in 1937? Since 1936 there had been an emphasis on the forces assembled around Vladivostok by the Soviet Union, from 200,000 to 300,000 troops, and 900 planes ready to fly toward the coast of Japan. It is these troops and planes which the Chinese leaders were thinking of when they signed at Nanking the treaty of non-aggression which defined, by the negative method of non-support to third party aggressors, the community of interest between the Soviet Union and China. Behind the screen of this termi-

nology China hoped that the Soviet Union would reveal its intention to help China more efficiently

The Russians did not budge, any more than they did in June 1937 when their Amur River patrols encountered Japanese artillery The fact was that the Japanese had taken a strong line in order to test the willingness of the Soviet Union to accept a challenge The challenge was not taken up, and from this moment the Japanese considered that their hands were free on the continent and along the coast of China Since August 1937, China has counted on Russian intervention—an active intervention against Japan, more than on munitions convoys coming across Sinkiang or the Gobi, or on squadrons of planes The Soviet Union, however, has not yet shown any intention of intervening against Japan, even after successfully maintaining its own position in the latest series of large scale clashes on the Siberian frontier

It is against this international background that the national interest of France must be considered The first interest to be threatened was the French Concession at Shanghai The armistice which terminated on May 5, 1932 the Sino Japanese conflict in Shanghai of that year stipulated under Article II that "The Chinese troops will remain in the positions they now hold pending the conclusion of further arrangements for the restoration of normal conditions in the zones covered by the present agreement " The "further arrangements" in question are not known If they were ever made they were never published

In announcing the decision of the Japanese Government to effect a complete withdrawal, the spokesman of the Ministry of Foreign Affairs declared on May 11, 1932 that "in the hope that the Chinese will strictly observe the terms of the armistice and not permit Chinese troops to enter the 20 kilometer zone, Japan will hold the other powers and world opinion responsible if the Japanese retirement should result in a new threat to Shanghai " If this declaration is interpreted as implying the existence of a permanent demilitarized zone, then it must be taken into account that in signing the armistice agreement the Chinese representatives had formally declared that "nothing in the agreement implies a permanent restriction of

any kind on the movement of Chinese troops on Chinese territory," a reservation which appears to have been accepted unconditionally at the time by the Japanese representatives.

Now in 1937 the essential argument of the Japanese was as follows: if the Chinese had not been allowed to maintain, for nearly a month, military occupation of the neutral zone of 1932, the Japanese and Chinese would not have found themselves face to face and the disasters which ensued would have been avoided. To this the Chinese could reply that having been threatened ever since July by the Japanese armies in North China, they were countering this offensive with an offensive of their own against the small body of Japanese troops in Shanghai.

In August 1937 the French Government was informed by the British Cabinet of a proposal to negotiate, in common with other powers, for an arrangement to keep Sino-Japanese hostilities away from Shanghai. The British Government asked on August 16th whether the French Government would be willing to take part in a collective proposal addressed by the interested Powers to China and Japan suggesting that they both withdraw their troops from the neighborhood of the International Settlement. If such a proposal were acceptable the Powers would offer to both Japan and the Nanking Government a guarantee for the protection of the nationals of both countries, and safeguards for Chinese and Japanese interests in Shanghai. The French Government replied to London that it was in full agreement with the British point of view. Instructions were immediately given to the French Ambassadors in Tokyo and Nanking.

On August 20th M. Knobel, Counsellor of the French Embassy in Tokyo, called on Mr. Horinouchi, Vice-Minister of Foreign Affairs, who stated that only the Japanese landing forces were in a position to protect Japanese residents. He recalled that the condition which Japan considered essential for preventing an aggravation of the situation was the unconditional withdrawal of the Chinese forces in accordance with the armistice of 1932. Thus the British and French proposal was bluntly rejected.

Once they had defeated the Chinese armies and thrown them back from Shanghai, the Japanese were masters of the Chinese part of

Shanghai. The status of the International Settlement and French Concession prevented them from dominating the entire city In the French Concession they tried time and again to establish control, either for the passage of their own troops or in order to seal the premises of certain Chinese businesses, under the claim that they represented not private but government interests They were checked by the calm refusal of the French Consul to recognize the validity of their claims Difficult though they were, the problems of the French Consul were not so great as those of the Municipal Council of the International Settlement, on which Japanese, British, Americans and Chinese were all represented The Japanese thus had a right to investigate all the activities of the Municipal Council, which led to friction and a series of encounters between them and the representatives of the Powers which were anxious to prevent the Settlement from becoming a scene of hostilities

The French Concession in Tientsin was considerably more endangered than that at Shanghai. Tientsin was exposed to the pressure of a Japanese expeditionary force and the Manchukuo army and Kwantung army (the Japanese forces occupying Manchukuo), which were held in readiness to invade Central China Nevertheless the French Consul avoided the most serious incidents and even succeeded by an opportune purchase in slightly enlarging the territory of the French Concession

It may be assumed that French traditions, faithfulness to the League Covenant, the treaties of Washington, and other treaties, accounted for the fact that France joined the majority of the members of the League of Nations in approving a resolution that assured China of moral support and deprecated any action calculated to weaken China's power of resistance This was in September, 1937, and in the same month an international conference to mediate for the purpose of ending the Sino-Japanese conflict was proposed behind the scenes at the League of Nations President Roosevelt supported the calling of such a conference in his Chicago speech of October 5, 1937. One expression and one word stood out in the speech: "When an epidemic of physical disease starts to spread, the community approves and joins in a quarantine of the patients in order to protect the health of the community against the spread of

the disease." Should the world similarly quarantine "any nation so foolish and ruthless as to run the risk of plunging the whole world into war by invading and violating in contravention of solemn treaties the territory of other nations that have done them no real harm and which are too weak to protect themselves adequately"?

The conference would have been called—that was a foregone conclusion from the day that the United States expressed a wish for it but for a thunderbolt unleashed by its opponents at the exact moment when the delegates were arriving at Brussels. This disruptive move was the adherence of Italy to the German-Japanese Treaty as important at this moment as the German-Japanese treaty itself. It implied more than an open struggle against the propaganda of the Comintern. It defined a common state of mind in Rome, Berlin and Tokyo. It announced the creation if not the actual organization of an Italian-German-Japanese bloc. It was published in an ostentatious manner at the moment when the Brussels conference was being opened, and had a decisive influence on its program. Moreover, the drawing together of Italy and Japan was dictated by the existence of their two empires in Manchuria and Ethiopia. Italy would recognize Manchukuo. "Rome considers the independence of Manchukuo to be irrevocably established as one of the new historical realities of the Asiatic continent."

At Brussels Dr. Wellington Koo reported on "Certain data indicating the possibility of taking certain economic and financial measures for putting an end to Japanese aggression in China." This concise and documented memorandum proved that Japan depends on foreign supplies for its war materials. Japan lacks petrol, iron, coal, rubber, cotton, antimony, manganese, tungsten, chromium, bauxite, aluminum, copper, tin, lead, etc. Japan produces only 1 per cent of the petrol it consumes in times of peace. It gets the rest from the United States (64 per cent), Netherlands India (25 per cent), and British North Borneo. The same applies to the other raw materials listed, with variations in the percentages. Study of Japan's sources of supply reveals that the British Empire controls more than 30 per cent of the raw materials which Japan buys, the United States, including Hawaii and the Philippines, about 32 per cent; China, not including Manchuria, 5.6 per cent; Holland

including Netherlands India, 4.27 per cent, France, including Indo-China, 1.45 per cent These countries control nearly three-fourths of the materials which Japan imports and almost the whole supply of its essential war materials

As for Japan's export trade, it is well known that Japan sells its cotton goods and raw and manufactured silk and rayon all over the world About one-third of these exports is divided between the British Empire, the United States, Holland and France The conclusions to be drawn from the memorandum of the Chinese delegation are evident Granting that Japan depends to an important degree on foreign supplies for the raw materials necessary for war and industry, economic measures preventing or interrupting the transport of these materials, or as a beginning the principal materials, would not fail to have an effect on Japan It may be noted that although an embargo on exports to Japan might cause losses to several powers (the United States, for example, would suffer considerably from the stoppage of sales of cotton and oil) a boycott on exports from Japan would provide compensating benefits

The powers did not accept these concrete proposals, because it was considered that their adoption would precipitate the danger of a conflagration It could hardly be imagined that Japan would stand by while seeing its stocks of petrol, cotton and iron being depleted, and refrain from threatening or taking by military action the vulnerable positions of its usual suppliers Great Britain has Hongkong to lose and the United States Manila, while France in Indo-China is perhaps even more vulnerable in this part of the world

IT APPEARS that Tokyo was disturbed, beginning with August 1937, by the replenishment of China's arms and munitions from foreign sources Now there are only three avenues of access to China, to which access through Burma may now be added The sea on the east, Mongolia and to a certain extent Chinese Turkistan on the north and west, and on the south the land frontiers of Indo-China The sea was promptly closed by Japanese squadrons as far south as Hongkong Japan now holds the Peiping-Suiyuan railway, reaching to the northern loop of the Yellow River, several hundred miles from the coast. Thus China can only obtain supplies from the

Soviet Union through Chinese Turkistan, lying still farther inland The only other sources are Hongkong—in British possession but lying under Japanese naval guns—and finally Indo-China

At Brussels the attitude of France remained consistent M Delbos Minister of Foreign Affairs, stated that 'no solution by force will be able to regulate the relations between the two countries of China and Japan, either in law or in fact, in a permanent manner" But a new French concern appeared between the lines of the statements of one of the French plenipotentiaries, M Monnerville, Under Secretary of State for the Colonies the desire to protect Indo-China and the French Empire and its lines of communication For the presence of Japan was becoming evident near Indo-China.

A few weeks after the opening of hostilities the Japanese Ambassador in Paris began to communicate warnings from his Government to the French Government, sometimes worded in a threatening tone Tokyo wished to give the impression of being disturbed by the part played by the railways of Indo-China in relation to the southern provinces of China Looked at more closely, access from Indo China to these provinces is not so very easy The Yunnan Railway, privately owned, is single tracked and narrow gauge The railway to Dongdang belongs to the network of the Government of Indo China The first of these runs partly through French and partly through Chinese territory It transports tin from Yunnan and is prosperous

The agreement covering this line, signed between France and China in 1903, stipulates that on the part of the railway lying in Chinese territory the company is not entitled to observe the rules of neutrality Although France is free to follow its own judgment as regards the section lying in French territory, it must still give way to certain Chinese demands within Yunnan territory Admitting, moreover, that France may have allowed large quantities of arms and munitions to pass over the Yunnan line, what could become of them after reaching Yunnan City, which stands surrounded by mountains in an immense closed basin? These arms could reach the Chinese front lines only very slowly and with difficulty. The second French line runs from Hanoi to Dongdang through Langson, and much less was made of it in the press, during

the first months of the present war, than of the other line. It has the advantage of terminating near the frontier of the Chinese province of Kuangsi, where it connects with a Chinese motor road toward Nanning

However, the French Government understood in October 1937 that Japanese aviators could easily destroy important and numerous bridges and other points on the Yunnan railway, either along the Chinese or the Indo China section In a spirit of extreme conciliation it was decided that between Indo-China and Yunnan the only arms traffic authorized would be in arms that had been shipped before October, or contracted for before the beginning of the conflict in July 1937 Other Japanese representations referred to the Sino French railway planned to connect Nanning and Shangnankuan, on the Canton-Hankow railway, with the Langson railway Now this concession, obtained by a consortium of French banks, antedates the beginning of the Sino Japanese conflict The French Government several times repeated that it would be prepared to regulate the traffic on the new line, after completion, in the same way as on the Yunnan railway

In spite of this evidence of goodwill, there was talk all during the autumn of a Japanese ultimatum supposedly delivered to France The term *ultimatum* is unbecoming It has been formally denied by the Japanese Ambassador, whose own statement is worth citing

> I expressed to the French Government my eager desire to see it maintain absolute neutrality My request was accepted in principle . . The Quai d'Orsay informed me that all traffic had been forbidden I have full confidence in this assurance Nevertheless it cannot be doubted that stocks of arms and munitions were ordered in mid July and delivered to China in mid-October It is possible that the Chinese Government has granted facilities to French trade Legally your position is good inasmuch as Japan has not declared war on China

Finally, Viscount Ishii, the senior statesman of Japan, entrusted with a mission to Europe, arrived in London at the end of 1937, where he in turn declared:

> Japan has no legal reason to demand that the Powers refrain from selling arms to China since there has been no declaration of war and

consequently there are no belligerent rights to be asserted But France has been informed that if the passage of arms continues through Indo China, Japan may find itself obliged to bomb the French railways going north from Hanoi to Yunnan and east to Nanning

The Chinese National Government has also been receiving munitions and war materials through Canton The principal suppliers in order of importance, have been Germany, Great Britain, the United States, and Italy The *Japan Chronicle*, for example, has given statistics of arms and munitions imported into China through Hongkong for the period from the 1st to the 15th of February 1937, consisting of 27 British airplanes 15 cases of American airplane machine guns, 6 cases of French airplane machine guns, 25 cases of Norwegian machine guns, 700 tons of powder and explosives from Great Britain and 500 tons from America, 200 cases of rifles from Great Britain and another 200 from Germany, 500 tons of Italian munitions, 2,000 tons from Denmark, 1 500 tons from Netherlands India, 150 tons and 25 tanks from Great Britain The lack of French munitions may be noted

It is possible to see a connection between Japanese dissatisfaction over the Yunnan question and the threat to occupy the Chinese island of Hainan Besides impeding the passage of British boats between Singapore and Hongkong, the coast of Indo-China would be placed more directly under Japanese surveillance, it is pointed out In June 1938, questioned on the current rumors that the island of Hainan might become the next center of hostilities, Admiral Noda, spokesman for the Japanese Navy, recalled that Prince Konoye had declared that Japan was ready to suppress the rule of Chiang Kai-shek in every possible way, consequently hostilities might break out in any part of China Admiral Noda added that it was impossible to admit that French Indo-China might come to the aid of China in the defence of Hainan At the same time General Ugaki, who had newly taken over the Ministry of Foreign Affairs, said at Tokyo on June 16, 1938 that he had been informed to his great regret of a Franco-Chinese agreement on the subject of a railway concession in South China[1] The Japanese press became more and more violently anti-French.

[1] The Dongdang Nanning line See above, p 443

M. Arsène Henry, the French Ambassador, in the course of a call on Mr Horinouchi, Vice Minister of Foreign Affairs, presented a new denial to Tokyo of the allegations of the Japanese press concerning alleged French assistance to the Chinese National Government Well informed circles in Tokyo emphasized the fact that on every point raised by the Japanese press, whether with regard to the Hanoi Nanning railway, the conclusion of a "Soviet French-Chinese agreement," the alleged arrival of a French military mission in China, the supposed granting of a credit to the Government at Hankow, the alleged continuation of arms traffic through Indo China--the French Government had supplied the Japanese Government with the most detailed proofs that the Japanese press accusations were unfounded, and that the attitude of France, from the beginning, was entirely in accordance with its international obligations and concern for strict neutrality

Was this recurrence of Japanese discontent a result of the campaign in the Chinese press which took advantage of a visit of the French Ambassador to Hankow to write that France was supporting China and was going to support it more effectively? Were the renewed threats from Tokyo a reply to this misleading exploitation of a diplomatic visit which had in no way modified the French policy of reserve and strict neutrality? Or were they rather a proof of goodwill toward Germany?

Questioned on the point whether the Ministry of Foreign Affairs had received a report on the conversations between M Bonnet and Mr Sugimura, in the course of which Franco Japanese misunderstandings had been dispelled, the Japanese spokesman declared that his department had not received such a report, but he admitted that the Quai d'Orsay had repeatedly assured the Japanese Ambassador in Paris that the authorities in Indo-China were rigorously enforcing measures to prevent French planes or pilots from going to China He added, however, that reliable information indicated the presence at Yunnanfu of a group of French aviators who had already taken part in the war in Spain and who were in China as the result of individual contracts

On the other hand, M Georges Bonnet, Minister of Foreign Affairs, had an interview with Mr Sugimura, Japanese Ambassador

in Paris, on June 20th General Ugaki had hinted that France was letting arms and munitions destined for China cross the frontier of Tonkin The Japanese press had concluded from this that the occupation of the island of Hainan might be expected However, the accusation against France was unfounded M Georges Bonnet formally assured Mr Sugimura that France was strictly fulfilling its promises and that rigorous instructions had been given to the authorities in Tonkin to prevent entirely the passage of arms and munitions destined for China

According to certain information, the Japanese Government was prepared to claim a distinction between occupying the island of Hainan and merely bombarding it The mixed caution and audacity of this wording can perhaps be explained by the treaty of friendship which has been in force between France and Japan since 1907 The treaty defines a mutual interest in "those regions of the Chinese Empire adjacent to territories in which France and Japan have rights of sovereignty, protection or occupation" Early in 1938 Mr Hirota, then Minister of Foreign Affairs, mentioned a secret clause in this treaty It provided that in view of its proximity to the Japanese island of Formosa, the province of Fukien should be considered as lying in a sphere of Japanese influence This clause, however, was deleted by mutual agreement in 1922, following the Washington Conference

All things considered, the importance of the whole treaty should be neither overestimated nor underestimated It dates back 30 years to conditions very different from those of the present Being a well drawn diplomatic document, it is both precise enough and flexible enough to allow the two signatory Powers to ignore it when differences arise between them and to quote it when they wish to renew their friendship As for that friendship, now somewhat dimly remembered, there was one period when it was especially strong the years between 1914 and 1918

Paris, September 1938

EUROPE LAYS ASIA OPEN TO AGGRESSION

NICHOLAS ROOSEVELT

THE dismemberment of Czechoslovakia marks the beginning of a new era in European and hence in world affairs. In this new era the outstanding factor is the domination of Europe by a highly armed, aggressive totalitarian state based immutably on the theory that force is the determinant in all political and international relations. The first objective of this new German Empire is to make itself economically self-sufficient. When that has been achieved by redrawing the map of Europe it will be in a position to demand and obtain the redrawing of the map of the world. Hitler has demonstrated anew the truth proclaimed two thousand years ago by Wu, the Chinese philosopher of war, that the greatest general is he who wins his battles without fighting. By making his enemies believe that he is stronger than in truth he is, Hitler has bluffed them into yielding. In the process he has broken down the last vestiges of the system based on international law and agreement and has proved to the world that the democracies will sacrifice their friends, their allies and their principles when threatened by brute force.

That this change in Europe will have repercussions in the Far East goes without saying. For the last half century the interrelation between European and Asiatic political trends has been intimate. Remains to inquire, therefore, first, in what manner the new growth of Germany is likely to influence Europe, and, second, how this in turn is likely to affect the Far East.

What this means for Western Europe can best be understood in the light of the German thesis of world power. For a half century or more German political scientists have preached the doctrine of the geographic determination of world power. Not only the lay of the land, but what lies under it and what it can produce, they insist, determine a nation's policy. Lacking important resources such as oil and copper, and needing markets for industrial products, Germany has had to look abroad for both. The most popular doctrine before

the World War was that so ably expressed by Friederich Naumann of the *Drang nach Osten* the trend towards the East This is the same policy that Hitler has renovated in *Mein Kampf* In that document he sets forth his long term objectives 1) the union of all German speaking peoples under the German Reich, 2) the establishment of Germany as the only major military power on the continent 3) the domination of all of Eastern Europe as far as the Black Sea and, 4) the acquisition of territory which is now under the Soviet flag -notably the Ukraine as an outlet for Germany's excess population

The application of the first policy necessarily implies the dismemberment of Poland through the return to Germany of the Polish Corridor Prudence may dictate delaying this settlement at least until after the Ukraine has been detached from Russia, as Poland might be able to offer a deal of military resistance to Germany which is undesirable until Germany has become even stronger than it is today But the very existence of this policy is a constant threat to Poland and so a factor of unrest in Europe The realization of the second policy demands that no other continental nation shall be strong enough to threaten Germany's military supremacy A natural corollary of this is that no combination of continental nations may be made which might be able to overwhelm Germany militarily

The first part of this policy implies the weakening of France The second implies the elimination of any effective Russo-French military alliance Despite apparent evidence to the contrary, it is not to be believed that Germany is content with French domination of Alsace-Lorraine and that German enmity for France has disappeared So long as France is a first class military power, it is a menace to Germany No one knows this better than Hitler, who included in *Mein Kampf* numerous virulent denunciations of France as the arch enemy of Germany, and as a nation which must be crushed if Germany is to survive

In so far as the prevention of any workable agreement between France and Russia is concerned, the logical policy would seem to be to encourage dissent and revolt inside of Russia, to work for the independence (and perhaps the ultimate annexation) of the Ukraine and to try to get the Western Powers to exclude Russia from Euro-

pean affairs Hitler's idea is not unlike the "cordon sanitaire" that the French sought to tie about Russia in 1919

The third policy, the domination of Eastern Europe, is now an accomplished fact Influence in this region, after the war, was divided between France, Italy and Germany Henceforth Germany, and Germany alone, will be heeded in Eastern Europe, for Germany is incomparably the most powerful neighbor, and so far has not betrayed its friends Italy has become only a satellite of Germany France, through abandonment of its ally, Czechoslovakia, has forfeited the confidence as well as the respect of Romania and Yugoslavia Years ago it alienated Poland It never was friendly with Bulgaria As for Britain's prestige, already badly shaken by the abandonment of Austria, this has been completely shattered by the conscious and apparently planned sacrifice of Czechoslovakia The nations of Eastern Europe henceforth must bow to a Germany all powerful

This does not mean that Germany will annex them But it does mean that Germany will bind them with ties so strong that they will not dare to desert Germany in war or peace What Germany wants, of course, is oil and food from Romania, and agricultural products from Hungary, Yugoslavia and Poland At the same time it wants sure markets for its industries, and looks toward the creation of a vast tariff union, in which will probably be included Italy, and from which will be excluded most of the rest of the world Romania, Bulgaria, Hungary, Yugoslavia, will henceforth do as Germany wants They have no alternative

It goes without saying that German ambitions do not end at the borders of Turkey While the military occupation of Czechoslovakia was still going on, it was announced that a credit of 150 million marks had been opened in behalf of Turkey, to be used for purchase of war materials in Germany This is in line with the Naumann policies, and recalls not only the attempts of Germany to train the Turkish army before 1914, but also German economic penetration of Turkey through the construction of the Baghdad railway German influence over Turkey is much more difficult to achieve today than it was before 1914, because of the strong ties between Russia and Turkey and because of the unwillingness of Great Britain to

see Turkey once more under German supremacy. Before the war the Turkish Government was inefficient and corrupt and the Turkish state was torn by revolution. Today the Turkish Government is strong. While it will doubtless gladly accept favors from Germany it has been on such close terms with Russia that it will probably be reluctant to change overnight into the German camp.

In 1914 Germany's interest in Turkey was largely because that nation, through the control of the Dardanelles and the Straits could in the event of war, help bottle up Russia in the Black Sea. If, in the near future, Germany acquires a major interest in the Ukraine domination—if not the actual possession—of the Dardanelles and the Straits will be absolutely indispensable to Germany. If control of these approaches to the Black Sea are in hands hostile to Germany the Ukraine can be blockaded and its products will have to be carried overland. Once more, therefore, as so often during the last fifteen hundred years, Constantinople will be a great focal center of international rivalry.

It is in this connection that Great Britain is likely to take its first firm stand against German expansion. The British permitted the annexation of Austria and participated in the dismemberment of Czechoslovakia because they felt that their interests were not directly affected. But if Germany shows signs of succeeding in dominating the Turks it will be clear even to the most provincial Englishman that the old Berlin-Baghdad policy is being revived, and that Germany looks toward driving a wedge in the Middle East in order to weaken the British Empire.

Germany's interest in Turkey thus has two angles. As one of these—Germany's concern about the Ukraine—has been regarded with much scepticism in recent years, it deserves particular examination. The acquisition of lands at the expense of Russia is, as already indicated, the fourth and ultimate object of Hitler's policy as set forth in *Mein Kampf*. Like most of Hitler's other ideas, this is not original. The Western world has forgotten that this policy was actually put into effect through the terms of the Brest-Litovsk Treaties of 1918. These provided not only for an "independent" Ukraine under German domination, but also for the domination by Germany of

Poland, Lithuania, Latvia and a part of Finland In other words, even in those days Germany not only was looking toward the control of these formerly Russian lands, but as a matter of fact actually occupied most of them with its armed forces Hitler, therefore, in looking toward the Ukraine, is merely reviving a German policy.

This policy is full of danger to Germany as well as to the rest of the world It is dangerous to Germany because of the certain animosity that it will provoke in Russia, and because it could only be enforced by extensive resort to arms. To compare this policy with Napoleon's dream of dominating Russia is, of course, extreme But it is quite likely that the extension of Germany's military line, even if only for the purpose of aiding the Ukrainians to free themselves from Russian control, would greatly weaken Germany's military strength.

That the Russians would sit by idly and see their richest grain lands carved out of the Soviet Union is not to be believed The Ukraine, lying on the north shore of the Black Sea, has been regarded by the Russians as an essential part of their Empire for generations It is not without significance that the independent Ukrainian State recognized in the Brest-Litovsk Treaties was reabsorbed by the Bolsheviks as soon as the German troops were withdrawn There has been no serious movement for independence in the Ukraine in the last 15 years, and nothing to indicate that Russia would agree to Ukrainian independence unless the Soviet Union had to bow to superior force as it did in 1917 and 1918 Should the Germans succeed in dominating that region, it would be a permanent cause for anti-German activities on the part of the Russians. Much more than the independence of Finland or even of Poland, the independence of the Ukraine would be bitterly resented by the Russians as the dismemberment of their native homeland

So long as the detachment of the Ukraine from Russia remains a cardinal policy of Germany, Russia is forced to abandon any dreams it may have of regaining its position in the Far East. It is even likely to have to stand by inactively while Japan penetrates deeper into China and Mongolia This, then, is one of the major effects in the Far East of Hitler's dismemberment of Czechoslovakia Germany is stronger than ever, and Russia placed more on the defensive It is

now amply plain that neither France nor Great Britain would shed many tears if Germany were to become involved with Russia over the Ukraine. In fact, it is more than likely that they would be glad to see this happen on the theory that the more Hitler becomes involved in the East the less dangerous he can be in the West.

Fully as important is the fact that so long as Hitler is redrawing the map of Europe neither Great Britain nor France can pay much attention to what is happening in the Far East. It goes without saying that no effective opposition is likely to be made by the European nations to a redrawing of the map of Asia—always provided that *nothing* is done *to* endanger India, weaken Singapore, or threaten the lines of communication of the British Empire. More specifically, the chances are that only the financial cost of military operations and the potential opposition and resistance that can be offered locally, will deter the Japanese from making such changes in the map of Asia as they wish, from Canton northwards.

In this there is nothing new. Each time that Great Britain has become seriously involved in Europe the Japanese have used the occasion to push their own plans. Is it mere coincidence that the Twenty One Demands were presented six months after the World War broke out, and that when Great Britain entered the great financial crisis of 1931, the actual occupation of Manchuria and North China was undertaken? Did not Great Britain's involvement with Italy over Abyssinia make it inexpedient for the British to attempt to discourage the Japanese advances in Central and South China? Why, then, so long as Great Britain is completely occupied with potential troubles in Europe, is it not natural to expect new developments in the Far East?

No candid student of international affairs would deny that Great Britain's prestige has been severely impaired as a result of Hitler's success in Czechoslovakia. It makes comparatively little difference whether Hitler was bluffing or actually was ready to fight. What counts is that, in the face of force or the threat of force the British Government capitulated. This was necessarily a great loss of face. The official British interpretation of Chamberlain's activities as a victory for peace is not likely to be accepted anywhere between the Rhine and the Pacific Ocean.

The fact that Great Britain has lost face and Germany gained face naturally lends new interest to the agreement made in 1937 between Germany, Italy and Japan. The significance of this should not be exaggerated, but so long as Germany and Italy terrorize Europe, it is obvious that Japan can have more or less of a free hand in Asia. Furthermore, both Germany and Japan exert a restraining influence on Russia. It is not beyond reason to suspect that, if the Soviet Union were to become involved against Germany, it would have Japan on its back—not, of course, out of love for or in the interest of Germany, but rather because it would be an appropriate moment for Japan to further its own interests.

Look whichever way we will, the dismemberment of Czechoslovakia stands out as the great turning point of post-war history. True, the annexation of Austria clearly foreshadowed the events that are now taking place. But in the annexation of Austria the Western Powers took no active part. In the dismemberment of Czechoslovakia they were agents, if not principals. The manner in which the dismemberment was brought about showed clearly to the world that the so-called democracies are at a handicap when faced by an aggressive, determined, ruthless totalitarian state. Unfortunately, it also made it plain that no treaties or agreements can henceforth serve as the practical framework for international cooperation. Gangsterism has triumphed over international law.

Out of the picture emerges the clear concept of a victorious Germany, eager to detach the Ukraine from Russia, and determined to entrench itself as the most powerful continental nation in Europe. The prestige of Great Britain and France has been badly shattered, and the growth of German supremacy has forced the British and French statesmen to think once more primarily in terms of Europe. Would it be surprising if other nations elsewhere in the world were to take advantage of Europe's preoccupation with itself? Why bow to treaties and respect agreements when Germany has given such plain proof that force, shrewdly and ruthlessly brandished behind an ultimatum, wins without let or hindrance? The world has entered a new era of international lawlessness, in which those nations which are strongest and most arrogant will get what they want from those which believe in justice and peace.

New York, October 1938

THE FUTURE FORESHADOWED: CHINA'S NEW DEMOCRACY

"A BRITISH OBSERVER"

COMPARISON between North China today and conditions even as late as January this year encourages the view that China can not only win the war but also build up a government capable of facing the aftermath of war. Six months ago conditions were chaotic. The Japanese had undisputed control over the railways. In many areas puppet governments were extending their influence, and county cities as far as 100 miles from the railways were under garrison. Every sign of opposition the Japanese met by burning villages and indiscriminately shooting peasants. The situation now is entirely different. Chinese civil government has been restored under the inter-provincial Border Government (Pien Ch'ü Cheng Fu) of Shansi, Hopei and Chahar. It controls 95,000 square miles, with a population of 14 million people who probably enjoy better government than they have ever had before. More important still, this is the political and economic base for partisan warfare against the railways. Developments in this area will not only affect the outcome of the war, but will influence the social and political future of China.

The Border Government was created in January. The fall of Taiyuan, capital of Shansi, on November 8th, had completed the loss of the Peiping end of the Peiping-Hankow railway and both the north-south and east-west railways in Shansi Province. Northeast Shansi, central Hopei and other areas to the north had been cut off from the rest of China. The railways had become barriers to communication. Twenty days after the war began the Central Government had created a military district in Hopei under General Ch'en Ch'ien and one in Shansi under Yen Hsi-shan. In November, discussions between General Nieh, an Eighth Route Army veteran of Kiangsi days, and Mr Sung, formerly head of the propaganda department of the Shansi Provincial Government, led to the suggestion of an inter-provincial government. The opposition of Yen Hsi-shan

on the grounds that this would cut across two military districts, was overcome by Ch'en Ch'ien, and five men, including Sung and Nieh, were permitted to prepare for a conference of delegates at Fuping. From January 10th to 15th, 148 representatives from 39 counties met at Fuping. Some were magistrates, but the majority were appointed by popular organizations such as village mobilization committees, whose authority, for lack of a better, was recognized by the conference. They selected a committee of nine to form a government and telegraphed to Yen Hsi-shan. On January 22nd Chiang Kai-shek approved, and on February 1st Dr. H. H. Kung wired the confirmation of the Executive Yuan. The new inter-provincial emergency government, controlling at first only 36 counties, became a legal body responsible to the Central Government. It is this body which has revolutionized the situation in North China.

Foreign military experts tend to concentrate on the military effectiveness of such areas. They forget that the first problem was to restore government. The Border Government spent February and March in restoring normal administration and getting rid of political confusion. There had been sometimes as many as three magistrates, appointed by different military groups, in one county. By March 5th there was one magistrate to each county and all recognized the authority of the new government. The next thing was to get rid of the political organizations which the Japanese had created for the sole purpose of increasing general confusion. This is still being done, but already the Japanese political organizations have no power outside the actual railway zones, and growth of the Border Government area to more than 60 counties, with strict frontier control, limits effectively the scope of Chinese traitors. Another immediate task was to regulate taxes. In January no less than three authorities—the military, the civil officials, and the Mobilization Committees—were taxing the peasants. From April onward all taxes came through the Government. These reforms are fundamental to the establishment of good relations between people and Government, without which partisan warfare is impossible.

The Border Government has a political philosophy and a theoretical grasp of the problems of partisan warfare. It is a United Front government. Of the committee of nine, corresponding to the ordinary

provincial committee, Generals Nieh and Lu are Communists, while Mr. Sung, Chairman of the Government, has no party affiliation. Four are members of the Hsi Meng Hui, formerly Yen Hsi-shan's party in Shansi. Liu Tien-chi, Minister of Education, represents the Central Kuomintang. He was formerly a member of the Shensi Provincial Committee and of the Yellow River Conservancy Board. The other member is non-party. Two of the committee remain in central Hopei, one in Chahar, and six in Shansi, where most of the major lines of policy are decided. The committee does not, apparently, reach decisions by voting along party lines. Indeed, Mr. Liu, the Kuomintang representative, stated most emphatically in private conversation that he was rarely reminded of his party affiliation. Although there is obviously a great deal of Communist influence, Communist party members are definitely in a minority both in the Government and in county administration. The new spirit pervading the Government is due not so much to the number of Communists and the quality of their leadership as to the fact that there has been a clean sweep in the personnel of administration while all officials, both civil and military, now have an urgent political motivation. This motivation, put briefly, consists in the realization that everything must be subordinated to the war against Japan.

The most outstanding feature of the Border Government is the harmonious relation between civil and military authorities, something the Kuomintang never successfully achieved. Before the war civil chairmen of provinces failed because they had responsibility without power, and military governors paid little attention to the needs of civil government. The Border Government succeeds partly because the military officials are exceptionally politically minded, being old Communists, partly because the civil officials are military minded, young, progressive and incorruptible, partly because the nearer you are to the Japanese the easier it is to cooperate against a common enemy. Harmony at the top is reflected in excellent relations between army and people, one reason for which is that the partisans come from the people, probably not more than one per cent being old soldiers. The people is the army and the army is the people. A new set of habits has therefore been born; peasants who formerly ran away when Chinese soldiers approached their villages now bring out

tea and food when the soldiers—their brothers, cousins, fathers and friends—are spied The spirit of the movement, almost a crusade, is expressed in songs which are sung by generals and school children, tenants and landlords, gentry and magistrates, school teachers and merchants It is echoed in new propaganda plays, which have the saving grace of humor besides didactic purpose Where there is humor there is mercy the United Front genially attempts to reform even Japanese prisoners

The new enthusiasm is protected by interesting institutional changes, of which the truly popular army is one Old soldiers are not encouraged, they have bad habits, too well ingrained to be easily changed The officers vary in origin There are certain differences between the two areas of the Border Government, divided by the Peiping Hankow railway West of the railway the army is officered by Eighth Route Army men, whereas to the east, in Central Hopei, the officers are ex-students, primary school teachers, professors, peasants and so on men without military experience As might be expected the partisans to the west are perhaps the more efficient, but the social origin of their officers, apart from experience, is probably about the same There are some bourgeois elements, but not many, a fair number of students of bourgeois or gentry background, and not very many pure peasants, whose inability to read or write is a handicap

Relations between army and people are protected by an excellent supply system, based on the principle that the army shall never get supplies directly from the people The Government buys grain and stores it on the spot, the supply officer of any army unit in the district applies to the civil authorities, from whom he receives provisions Four receipts are made out for the civil authorities, the supply officer, military headquarters, and the Government As transactions are usually in public and every man knows how much grain he is allowed, to say nothing of the fact that an economic committee examines accounts every week, it is difficult to see how there can be any corruption There is a strictly enforced rule that anyone guilty of even the smallest corruption be shot

Education is undergoing far-reaching changes. There is now popular education. All school fees are abolished and teachers get the same low salaries as other Government servants. It is claimed that every child now has the opportunity to go to school. On the other hand, the schools are not what they were. The distinction between education and propaganda has practically disappeared. Textbooks are almost entirely devoted to the struggle with Japan. Groups of school children march from village to village to give plays, sing songs, shout slogans, some even help in espionage. Primary school children are also enlisted in the fight against illiteracy and many teach their parents at home in the evenings. Over 20,000 adults, it is said, are already using the first books, which contain some 500 characters. As the army and small munitions factories need technicians, the schools are turning more and more to vocational training. Whatever else may be said of the new education, it is designed for a very practical purpose and there is no contradiction between thought and action.

The most important institutional changes concern administration, where the new spirit originated in a change of men, not in a change of system. Of 20 county magistrates interviewed, not one had been an official before and few were as much as 30 years of age. These men come to their tasks with high ideals, good education and more tenacity of purpose than some would have expected. They eat abominable food, receive nominal salaries, give up all feminine company and own little more than the clothes they stand in. The highest pay for a magistrate is 18 local dollars a month, not including food. The general situation, including the dash which goes with partisan warfare, and the change in men, have produced a new spirit of comradeship among county magistrates and members of the Government which seems to have led quite spontaneously to the custom of conferences every two months of 20 or so county magistrates. Here they report on the work they have been doing, discuss methods of administering the Government's policies, and pass on suggestions or criticisms to the Government. This new institution is clearly excellent for morale. It is a possible contribution to the fabric of a democratic China.

Those interested in problems of the institutional basis of democracy in an agrarian country will watch the growth of another experiment

of the Border Government: the attempt to establish democratic control of every administrative unit from the village to the Government itself. The Border Political Council, which meets twice a month, claims to have real authority over the Border Government. Its 16 members include representatives appointed by the military, the gentry, the mass movements, and the Government itself. They discuss all important questions and reach decisions by majority vote. Parallel to this there is a Political Council in each county and a similar organization for the districts. It is hoped that in the future the same method can be applied to the village. At present the functions of county and district councils are limited, apart from purely local matters, to executing policies decided on by the Border Political Council. These institutions apparently have no legal basis beyond that of the Border Government, but this does not mean that they may not become permanent. Although it is too early for definite conclusions, it is here that any conflict between the military, the gentry and the mass organizations will show itself. It is interesting, for example, that the gentry should appoint representatives as a class, a decision probably based on the fact that those who do not themselves till the soil are not allowed to join the Farmers' Union.

The most spectacular, and in some ways the most permanent step toward an institutional basis for democracy has been the encouragement of mass organizations, most of them spontaneous in origin, particularly the Village Mobilization Committees, which carried on the work of civil government during the interregnum between Lukouchiao and the Fuping conference. When normal administration was restored they were abolished. On the other hand, the Farmers' Union, Merchants' Association, and Women's Association have been encouraged and their growth has made it quite clear that the people are willing to take part in political life if given the chance. To these must be added the Workers', Teachers', and Youth Associations. The Government hopes that these associations will confine themselves to executing Government policies and to purely anti-Japanese activities. The help that the farmers give to the army, both in labor services and by increasing the production of food, is welcome. The enthusiasm of the villagers in applying the passport system and searching for traitors leaves nothing to be desired. The Workers'

Associations enjoy the right to strike and to an 8-hour day, but demand the privilege of working longer hours in order to produce more munitions, and are considered to have a proper understanding of the United Front. It is not to be expected that peasants and workers, once they were allowed to organize, would limit their ambitions to carrying on the war. The test of the United Front is whether it can maintain the cooperation of all groups and at the same time permit some redress of the undoubted economic grievances of the peasants of Hopei and Shansi. Will there be political cooperation between the army and the gentry or between the army and the mass organizations? Up to the present the Farmers' Union, in particular, has been subjected to intensive "political education" when it has tried to gain economic advantages from the landlords. Even the growing pains of democratic institutions have not been allowed to disturb the harmony of the United Front of all classes.

The Government is not satisfied with the administrative reforms it has achieved. The improvement in provincial and county administration has not been matched in the districts and villages. The peasants still leave much to be desired in their anti-Japanese spirit and activities. In fact, the energetic establishment of sound government has in itself proved an obstacle, for when the peasant is free from Japanese and bandits and is reasonably taxed, there is little more that he asks. Nor is it as easy to bring new blood into the districts and villages, which elect their own officers, as into the counties where there is direct Government appointment. The highest officers of the Border Government are aware that the district and village administration will not be equal to the tasks expected of it until this problem has been solved as effectively as it has been in the higher ranks of provincial government. The abolition of Village Mobilization Committees has left a vacuum which the Government is trying to fill by establishing village centers for locally elected committees with power to arbitrate in the local districts, execute Government economic policies, attend to communications, suppress corruption, promote the drama and join in the campaign against illiteracy. It is hoped that more capable men will thus have an opportunity to take part in local administration. It is planned to extend the idea, successfully tried in several Shansi villages, throughout all counties controlled by the

Government No Chinese Government has yet succeeded in reforming the district and the village, but the response which the Border Government has already received from the peasantry in the conduct of the war gives grounds for some confidence in the success of its attempt to solve this, the most fundamental problem in establishing a democratic China

THE cooperation of all classes can be encouraged by propaganda and reinforced by the development of democratic institutions, but it must depend largely on the economic policy of the Government The main aim, the prosecution of the war against Japan, must be kept in view, but as the attitude of the peasant will determine victory or defeat, it is largely with his problems that the Government will be concerned Immediate abolition of the multitude of miscellaneous taxes which had accumulated on the land tax proper, and reduction of rents by 25 per cent, not only accorded with previous decisions of the Central Government but also softened to some extent that class antagonism which some of the younger members of the Eighth Route Army were anxious to encourage, but which the leaders thought incompatible with the United Front The reduction of interest rates to one per cent per month is strictly enforced, but it is difficult to measure the economic effects of a step which has practically eliminated money-lending Other reforms, coupled with the abolition of school fees and the extension of primary education, tend to decrease revenue to such an extent that the land, salt and tobacco taxes, the main sources of revenue, have had to be supplemented by the issue of Government 4 per cent bonds Customs duties on exports and imports to and from the Japanese occupied areas helped to make up the deficit, but the budget could not be balanced without the bonds The response, it is claimed, has been excellent and no difficulty is being experienced in raising the first $2 million

The decision to issue a Government loan replaced the recently abolished system of "village contributions" During the first four or five months villages were assessed and left to work out the distribution of the burden themselves. This was an attempt to put into practice Yen Hsi-shan's theory of "reasonable burdens" Sheer lack of information makes it extremely difficult to "soak the rich" scien-

tifically, in proportion to their wealth Where villagers have tried to enforce this in public meetings there has been too much scope for the development of class antagonisms, which cannot be encouraged by a Government wishing to put no obstacles in the way of the return of the wealthy from the occupied areas Many of the rich who fled to the towns last year have returned to Chinese-controlled territory, which is some evidence of the conservatism of the Border Government

The decision to control "foreign" trade between Chinese-controlled areas and the Japanese railway zones is bound up with external rather than internal considerations The general political aim of the economic policy is to prevent the Japanese from deriving any economic profit whatever from North China In order to do this the Government has been compelled to limit foreign trading operations to one large state controlled commercial company, several county cooperatives, and one or two well established private concerns The ordinary merchant is thus cut off from import and export trade It is hoped this will not lead to the control of internal trade, but there is no reason to suppose that the Government would refrain from doing this if necessary The general aim of the Government is to make its exports and imports balance, and if it is able to do this the Japanese will not be able to exchange paper money for goods A further guarantee of this is the practice, already well established, of conducting most of the "foreign" trade by barter As these regulations were only to begin on August 15th it is too early to estimate their effect on the internal economic situation It is clear, however, that the more the Japanese persist in trying to sabotage the Chinese currency system the more the Border Government will be compelled to control economic life Also, the executing of these regulations will depend so much on the efficiency of district and village administration that the Government may well be forced to reform them more speedily than is perhaps politically desirable Lastly, there is the danger perhaps that extension of the economic power of the Government may outrun the growth of the political institutions which are designed to control it

An economic policy amounting to virtual blockade of the railway areas is only possible in a country where the railways are not of any vital economic importance It is impossible to get statistics

in the economic dislocation in the hinterland consequent on the loss of the railways Apart from the cotton question it is apparently possible for the Border Government to ignore the railways almost completely It was unable to prevent the sale of last year's cotton stocks to the Japanese, but the problem will not arise this year, it is claimed, because cotton production has been reduced by about o per cent The land is now under wheat In Kaoyang, a big cloth weaving town in Central Hopei about 30 miles from the railway, the Chamber of Commerce estimates that manufacturers of cloth have already lost $1 million, while indirect losses to workmen must be around $10 million Nor has the Government any suggestions for reopening these modern factories. In fact, there is a growing enthusiasm for the development of handicrafts, like weaving, which would compete directly with factory-made goods Exporters of various minor products have suffered, but as far as one can judge, the economic life of the whole area, apart from the change from cotton to wheat, has suffered remarkably little from the loss of the railways The problem is not so much to procure as to prevent the inflow of goods, especially Japanese, and to find sufficient exports of no military value to exchange for absolute necessities like oil There is every reason to believe, therefore, that the Chinese are in a much better position to put pressure on the Japanese economic system than are the Japanese to compel Chinese economic life, as they had hoped, to revive around the railways and towns they occupy The whole of North China will shortly be of no economic value to the invader, while the Japanese will be forced to feed and supply every inch of territory they control

From the military point of view, North China, without its Border Government, would present a very depressing picture, but the fact that it exists and is expanding should not, on the other hand, lead to hasty conclusions about the speedy end of the war It shows what can be done in China when a clean sweep of the administration is possible and when the people themselves go to war Its military achievements are by no means negligible The dislocation of traffic on the north-south and east-west railways in Shansi and the enormous increase in Japanese garrisons on the northern section of the Peiping-Hankow railway, to say nothing of the spread of Chinese

political control, are no small achievements. Socially and politically the Border Government is a marginal phenomenon. It is an example of the operating of the United Front in isolation but under favorable conditions. It represents the sort of development that must spread over the whole of China if China is to win the war. Its strength may be brought out by contrasting its achievements with areas like South Shansi, where the old administration still continues and the problems of securing cooperation between all classes are correspondingly difficult. It is safe to say that in no other part of China is the army on such friendly terms with the people or the civil administration in such harmony with the military authority. In no other part of China has so much progress been made in developing democratic institutions.

Here we have, therefore, a social pattern which may emerge from this war; it is the military agrarian state at its best, with strong democratic representation. Whether this pattern will spread over the whole of China depends on many variables. The social tendencies in the Border Government represent one of the extremes which can evolve in an agrarian country in which a rich bourgeoisie has been weakened in relative strength, but not changed in character (for the principle of private property has not been touched). What will happen if the Japanese drive up the Yangtze succeeds in cutting China in two? The Chinese bourgeoisie, though not so powerful as it was before the war, is far from dead and it might be able to retain control south of the Yangtze in a divided China. Nevertheless, the rapid growth of the "New Fourth Army" movement of partisan warfare and independent local self-government in the Shanghai-Nanking region indicates that the example of the agrarian democracy of North China may yet spread over the whole country, presenting a resistance with which Japan cannot cope, and make possible in the future a genuinely democratic China.

THE DRAMA IN CHINA'S ANTI-JAPANESE PROPAGANDA

J. Clayton Miller

Articles in this number of Pacific Affairs *and in the pre-ceding issue refer to the popular plays given all over North China one means of rousing patriotism and increasing resistance to nquest by Japan. We here print two of these plays, translated by J. Clayton Miller from a volume in Chinese called* Collected ating Line Plays. *Owing to pressure of space we are forced to mit Mr. Miller's description of how he saw these and other plays erformed, while he was travelling this year in the regions which ave freed themselves from Japanese militarism. The plays them-ves, we believe, supply invaluable documentation of the courage nd faith animating the growth of a new, unconquered China.*

WEAPONS (A Play for the Masses)

By Wang Chun-wen

ime: 1938, early spring

ace: A street in a village in North China

haracters: Farmers and soldiers

st farmer: (Lackadaisically raking manure with a three-pronged hoe.)

nd farmer: (Enters carrying a big hoe on his shoulder.) Haven't you finished carting away the manure?

st: I only cart it when I feel like it, and when I don't feel like it I don't, so I guess I'll never get it done. What have you been doing?

nd: At one end of the wheat field I've dug a big hole, and my cart already has cut a path across the field to it.

st: You're all right; you are willing to try to make ends meet. Last winter no one expected to get by. But how could anyone get along if he thought like that? We have to get along. If we don't work, we ourselves suffer, and if we don't plant we'll be hungry.

nd: What's the use of trying to get along? And who still expects to

live? But idleness is hard to endure, so puttering in the field helps you to forget your worries (He sighs.) It makes one's heart ache to see the fields fallow

1st (Sighs very sadly.) If the fields go on being neglected like this, what shall we eat after fall comes? Won't we all have to turn bandit?

2nd But we would be bandits without anyone to rob.

3rd, (Lao Wu) (Enters with a hoe on his shoulder, humming "The Song of the Hoe")

1st and 2nd (They lean on their hoes and listen and grin.) Lao Wu doesn't worry at all

3rd Worry about what? What's there to worry about?

2nd (Sighs.) You see, no one has the heart to plant, and the fields have gone wild What will there be to eat in the winter? Won't things be still worse then?

3rd Yes If we don't plant, winter will be just like summer, and what will there be to eat? Even if we all become bandits there will be nothing to steal

2nd No one has anything, so it's no good to rob your neighbor

3rd That's what I say It won't do unless we plant When we plant carefully we have something to wear and something to eat, and besides that we can help our country Can we fight Little Japan[1] when we're hungry? Haven't you heard that the Propaganda Bureau[2] says that one bit of food means one more bit of strength with which to fight Japan?

1st That's all right but this year everything is so messed up that no one knows how it is going to end Even if there should be a harvest we still don't know who will get it So who cares about doing any planting?

2nd Everybody thinks that way now Just sow enough for ourselves, any old way, that will be good enough Who wants to wear himself out?

3rd That's something it scares you to think about; it scares you even more than the Japanese planes and cannon I used to think

[1] In Chinese this term is derogatory in itself, and also contrasts with the official Japanese designation of "Great Japan"

[2] One of the bureaus of the Border Government

that way too, but today someone told me what it's all about I'll tell you what I've just heard For instance, we don't want to become slaves and don't want to let the Japanese devils rape our women, but if we don't work hard at the sowing, we'll have nothing to eat, and then the Japanese won't have to fight us with guns and cannon; they'll only have to surround us Then we'll be finished! When that time comes, even if we don't want to be slaves, we'll have to be, and even if we don't want to let them have our women we'll have to just the same

2nd (Angrily) When that day comes, we might as well die Why be slaves and let them have our women?

3rd If that's the way it's going to be, it's better to die than be slaves That's true enough But do we have to wait until then?

1st If you won't wait what can you do?

3rd It will do for us farmers to get the sowing done

2nd People say that if we sow, the harvest will be taken from us

3rd That's just lies that traitors are making up! The Japanese devils can't easily conquer us with guns, so they go and think up this poisonous way of destroying us Look at the People's Army![3] They don't take the harvest from us, and they even want to reduce the land tax and give us a better chance to live, so that we farmers will see better days

1st That's a fact. That's true They're the kind of people who really help us

2nd When people do something to help us, it's up to us to do something too

1st That's so That's so. Lazy dogs can't climb a wall Let's not be called lazy dogs.

3rd There are still many farmers who don't know what it's all about We've got to get them to see it right

2nd That's the thing to do, so as to give them the desire to sow

1st But how to convert them? If they're only converted one at a time can you ever reach them all?

3rd There's a way. There's a *new* way Yesterday I went to the city

[3] The full name is the People's Defense Army This army, under the authority of the Border Government, is now operating in central Hopei

and saw the Mobilization Committee dressed in costume spreading propaganda on the sowing of fields Let's try it once.

2nd How? Is it easy?

3rd Easy Let each man carry an implement, harness a beast to plow, and then get out the village drum and gong. Won't that cause excitement?

2nd Good Good I'll go and call the people (Everyone gets busy A crowd with implements gathers, and the drums and gongs are beaten They get in groups and talk about spring sowing)

4th farmer (Runs on stage shaking with fear) Look! That village! Smoke! Look at that village!

All (Together) What's the matter? What's the matter?

4th The Japanese soldiers have come again to burn the villages

All (Frightened) Ah! Ah!

4th The Japanese soldiers come to mop up the villages every day now Lousy beasts! When they see a man they kill him, when they see a woman they carry her off There's more than ten in my family, and I'm the only one that got off alive

1st What can we do? Our village will be the next one to get it

3rd We want to be let alone, we want to sow our fields in peace but these damned Japanese, the devils, keep right after us We've either got to fight them, or we can't farm our own fields

All There won't be peace for the farmer till the Japanese are beaten

1st We have no guns, what can we do? Let's tell the People's Army right away

All Yes, yes! (They look eager to go at once) At once! At once!

2nd Let's send a message to our homes at once and all leave right away to help the People's Army

All Yes, yes! (They appear ready to go)

A Sergeant of the People's Army (Enters with gun in hand) What What? What's going on here?

4th Good! It's good you've come The Japanese are here again mopping up villages (Pointing in direction of village)

Ser. We knew that already. We've already sent fellows to fight them Don't be afraid Come on, the lot of you, and we'll fight them

1st· How are we going to fight? We've only our bare fists What are we going to fight with?

Ser You've all got something, right in your hand! Your hoes and rakes are not worse than our guns (He lifts up his old gun to show it) We'll surround the Japanese devils and fight them, you get behind and dig ditches and trenches so their lorries can not retreat

All Yes, yes! Let's go home and get our shovels

Ser Take what you've got, right now! Use your saws to cut down their telephone posts Use your axes to dig up railway tracks Use your hoes to pull down telephone wires And you? (Points to an empty-handed farmer) You know the roads, so you can be our guide Each thing in our hands is a weapon! We've got what we need, right here in our hands!

All Right! Everything in our hands is something to fight with Fine! We and the Army, we'll fight Little Japan

Ser Good Army and People! People and Army! We'll fight them and we'll see it through! Every man take what he's got! Forward! Fight the Japanese!

All (All raise their weapons high in the air) Good! Army and People! Forward together and fight it out with Japan! Take what you've got in your hand, and fight! Forward and fight the Japanese! (They march off, with big strides)

THE LITTLE HERO (A Play for Children)

ANONYMOUS

Time Sino-Japanese War

Place North China

Characters Wang Ching, a member of the Youth's Vanguard Battalion

Li Ch'ang, a ragamuffin

Li Weng-hui, father of Li Ch'ang

Yang Cheng, a soldier in the People's Army

A Japanese Soldier

Setting. In room of poor family When the curtain rises Li Ch'ang is crying by himself.

Wang Ching. (Enters very confidently) What are you crying for, little friend?

Li Ch'ang Papa and Mama have both gone and left me The Japanese devils are awful Papa and Mama don't want me any more (He cries)

Wang Ching The Japanese devils are not your Papa and Mama Do you think crying will make them afraid of you and come and pet you?

Li Ch'ang (Cries again) The little Japanese devils are horrible! (He sobs) You don't know how awful the little Japanese devils are! They made my Papa and Mama run away (Sobs again)

Wang Ching Yes, I know the Japanese devils are terrible, but we can't stop that by crying Your Papa and Mama have been scared away by the Japanese devils, but they won't come back if you cry till your eyes drop out

Li Ch'ang (Pulls himself together and wipes his eyes) What is there to do but cry?

Wang Ching I'll tell you something to do But success depends upon whether you want to do it

Li Ch'ang But a kid like me—what can I do?

Wang Ching Ah! Don't think so little of yourself so soon Little children have their place

Li Ch'ang What place?

Wang Ching What place! Listen to me Grown-ups have the strength of grown-ups and can use guns They can go to the front and kill the enemy But we children—we are small and people don't notice us (Proudly) We can be spies!

Li Ch'ang Spies? What do spies do?

Wang Ching Spies learn where the enemy are and what they're doing, and report back to our army so that we know how to fight them Look at me! I've joined the Youth's Vanguard Battalion, and because our army is going to attack Black Tiger Village today, I've been specially sent to spy on the enemy

Li Ch'ang (Wiping his eyes) Ah! I didn't know you could do things like that

Wang Ching It's not how much you know If you want to and dare to, you can!

Li Ch'ang (He thinks for a little while) Swell I'll do it!

Wang Ching: Good Now we'll get some liquor ready--and some poison. The Japanese always go to people's houses to get stuff to drink

Li Ch'ang How many can you kill, just with poison?

Wang Ching Stupid! We're not out to kill them We just want to get one of them doped, so we can steal the Japanese password Once we've got that, our army can come and take Black Tiger

Li Ch'ang Swell. You're the kind to lead us children

Wang Ching Never mind that Never mind that Let's work together and work hard, to save our country

Li Ch'ang: But where's the poison?

Wang Ching I've got it (Taking it out) There you are! But have you got any liquor here?

Li Ch'ang Look how poor my home is Nothing to drink around here!

Wang Ching (Thinks seriously) How are we going to get around that?

Li Ch'ang: (Thinks for a bit, then--suddenly) I've got it, I've got it! Our neighbor, Hu Hsiao-er, drinks He's run away, with his family I can go and get some liquor from there.

Wang Ching Good, good! Hurry up and get it

Li Ch'ang All right (He goes off)

Wang Ching Come back, come back, Comrade (Li comes back) I've got lots of propaganda leaflets too Take some and scatter them along the street.

Li Ch'ang (Takes the leaflets) All right But do they read Chinese?

Wang Ching These are written in Japanese

Li Ch'ang Ai-ya! Do you know Japanese too? You're pretty good!

Wang Ching I didn't write them myself. Our Comrades did There's nothing they can't do

Li Ch'ang Golly! Someday I'm going to join up too!

Wang Ching Don't wait for "someday" You're working with us now, so you are already our Comrade

Li Ch'ang: Fine! That gives you a grand feeling

Wang Ching: Then you had better hurry up and do your work

Li Ch'ang: All right, I will (He exits, smiling broadly)

Wang Ching (Takes some leaflets and puts them in his pocket Paces up and down)

Japanese soldier (Staggers in) Have liquor? (Making signs in the air with his hands) Have womans? (Makes coarse gesture of embracing)

Wang Ching (Makes gesture of "thumbs up") Japan she big

Jap Have liquor? Have womans? (Begins looking around room and searching)

Wang Ching (When the soldier is turning, he puts a leaflet in his coat pocket) Liquor have

Jap Have womans?

Wang Ching Womans no have Papa have

Jap Papa no want Womans want

Wang Ching Papa no want you have womans

Jap Small boy, you much naughty

Wang Ching (Pointing to leaflet in soldier's pocket) That What that?

Jap (Unsuspectingly takes it out, looks at it and grows pale with fright) Oh! Oh! (Reads)

Wang Ching What that? I look see

Jap Good thing No give you look see (Wang Ching keeps on trying to look The Japanese soldier avoids him)

Wang Ching No give me look see? Your heart big bad

Jap Small boy no understand

Wang Ching (Not trying hard to look now) You much big!

Jap (Looks over his shoulder Beats his chest proudly, gives a long sigh and goes off stage)

Wang Ching (Picks up the leaflet, looks at it, pleased with what he has done, and walks up and down the room)

Li Ch'ang (Returns with a bottle) I got this long ago, but I heard the Japanese devil in the room so I waited outside I was afraid he would drink the liquor before the poison had been put in

Wang Ching Good That was clever. Did you throw the leaflets around the street?

Li Ch'ang Huh! (He reaches into his pocket and takes out the leaflets) I had my mind on getting into the house to get the liquor, so I forgot all about these.

Wang Ching You were thinking so hard about getting the liquor that you forgot

Li Chang (Apologetically) You're right I was

Wang Ching Never mind I let the Japanese soldier read one of the leaflets

Li Chang You gave him one to read? Honestly?

Wang Ching Honestly and truly

Li Chang You really dared to show it to him plainly and he didn't hurt you?

Wang Ching Oh, but you see I didn't hand it to him, like that I used a trick

Li Chang A trick?

Jap (Enters very drunk) Have liquor? I better to die (Suddenly he starts to bawl)

Li Chang (Winks at Wang Ching) Is it all right to give him the wine now?

Wang Ching (Aside to Li) No Wait a minute What's he crying about? We can ask him (Turns to the Japanese) What are you crying about?

Jap Me home (he indicates by gestures the varying heights of the members of his family)—this kind, this kind, this kind (Shakes his hand negatively) No can see all (Cries again)

Wang Ching Your home much money?

Jap No much money All time . . laborer . . No enough eat . War starts . . fighting . . I make cannon fodder

Wang Ching Your wife want you come fight?

Jap Much no like Much no like Ai! I go boat, wife, children make much cry Police no like (Suddenly he seizes Wang Ching and looks hard at him) My babies . . same like you

Wang Ching Your babies much think you?

Jap Think me . much think me? My babies same high you (While looking at Wang Ching he suddenly picks him up) My boy, my boy.

Wang Ching (Quietly puts his hand into the pocket of the Japanese, unnoticed, takes out a piece of paper, and reads it He then gives Li Chang a knowing glance)

Jap (Puts Wang Ching down, and lies on a couch)

Wang Ching (Beckons Li Ch ang to come to him, and whispers to him) This is the password. Hurry up and take it to our army Tell them to come right away and re-take Black Tiger

Li Ch ang Oh! You're swell You're swell

Wang Ching Go at once! our password is, *Resist the Enemy*

Li Ch ang All right, all right (Exits in great haste)

Wang Ching (Satisfied, he smiles at the Japanese soldier and p... him softly) You well? You much well?

Jap (Cries for a little while) Liquor . liquor (Suddenly h... gets all excited again)

Wang Ching (Undecided what to do next, he thinks deeply)

Jap Liquor liquor (Looks around frantically for it)

Wang Ching (Suddenly makes his decision) No have

Jap (Finds the liquor bottle) Liquor good good

Wang Ching Not liquor (Grabs for the bottle) Very much bad

Jap (Smells it) Liquor liquor (Puts the bottle to his mouth

Wang Ching (Seizes it) Very much not good Very much not good

Jap Good good Very much good (Grabs it to drink)

Wang Ching Has poison, has poison!

Jap Has poison? (Is taken aback Starts to smell again)

Wang Ching (Afraid that he has hurt him)

Jap Has poison? . You put it?

Wang Ching (Hesitates) I no put, I no put.

Jap (Stares long at the bottle) Ah . . . better to die Be teeth an... claws of warlords this very not good (Again tries to drink

Wang Ching (Seizes bottle) You don't want to work for the war lords Shoot your gun at *them* Let the Chinese masses and the Japanese masses unite against the murderous and rapacious Ja... nese warlords. Suicide very much no use . . suicide very mu... no use.

Jap. I feel much bad . If die then everything forget

Wang Ching· (Takes the bottle and empties it) Killing yourself ... much easier than living and working. What you ought to do ... join up with us and wipe out the Japanese warlords.

Jap. (Tries to seize bottle, as Wang Ching is pouring it out, bu... Wang Ching manages to get it away)

(From behind stage there are suddenly heard war cries)

Jap (Listens a bit, then beats his chest) The end of the Japanese warlords has come I like same time die with them (Takes his sword from its scabbard and tries to commit suicide)

Wang Ching (Seizes his sword hand) The end of the Japanese warlords is only the beginning of our new world Japanese Comrade, welcome the coming of the new light! You must not die with the old order

Jap Me? (Still wants to kill himself, but evidently much moved) You? The masters of the new world?

Wang Ching: You ought to be a master of the new world too (Sounds of guns approaching from back stage)

Yang Cheng (Rushes on stage At sight of the Japanese he wants to kill him)

Wang Ching (Holds him off) Don't! Don't! Comrade!

Yang Cheng Why not? (Turns angry eyes on him) You're protecting a Japanese soldier, you traitor (Aims his gun at Wang Ching)

Wang Ching (Still calm, he laughs scornfully at Yang Cheng) I'm not a traitor, and what's more, I am a member of the Youth's Vanguard Battalion of the People's Self Defence Army

Yang Cheng How do we know you belong to the Youth's Vanguard Battalion? What are you doing protecting a Japanese soldier?

Wang Cheng But this Japanese soldier is different!

Yang Cheng (Speaking with pure disgust) Different! Ha! Look at Ting Chou, Kao Yang, Shen Chai[4] Look at the way they burned and murdered. The sons of bitches! There's not a good one among them. They kill us and then we kill them. And you talk of his being different!

Wang Ching Ah . . Comrade Those who force the Japanese soldiers to come and massacre us are the Japanese warlords, politicians, and capitalists The Japanese workers and farmers are all oppressed, just like us Didn't Commander Lu tell us once that we shouldn't kill our captives indiscriminately?

Jap Kill me. . . . Much ought to. . . . I am tooth and claw of Japanese warlords. (Tries again to kill himself)

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[4] Large towns in Hopei where the Japanese atrocities were especially horrible

Yang Cheng (Is also moved. Takes the sword away from the Japanese.) Huh! I didn't know there were good Japanese soldiers.

Wang Ching Of course most Japanese soldiers are most merciless, but because most of them are, we mustn't think they are all alike. The workers and farmers are all beginning to realize they have been doped by the Japanese warlords. If we kill them all just alike we'll slow up the reawakening of the masses of Japanese workers and farmers, and help the Japanese warlords and politicians in the way they cheat the working man. So we must not harm the awakened Japanese.

Yang Cheng Ha! This fellow really has something. (Thinks for a while.) But how do you know he has been awakened? (Pointing to the Japanese captive.)

Wang Ching The way he thought of his family and wanted to kill himself proves that he is against wars of invasion.

Yang Cheng You are a member of the Youth's Vanguard Battalion. What are you doing here? Maybe you are pretending to be a member of the Youth's Vanguard Battalion but are really a traitor. (Again he takes aim at Wang Ching.)

Wang Ching (Thoughtfully.) I came to do a piece of work. Even your coming to recapture Black Tiger was made possible because I stole the Japanese password.

Yang Cheng Did you steal the password? (Surprised.) Don't lie to me. Could a little brat like you do a big job like that? (Laughs scornfully.)

Wang Ching Don't think I'm little. When it comes to doing big things ... (Proudly.)

Yang Cheng (Interrupts him.) What are you boasting about? You think I wear wooden glasses and can't see. (Takes aim at Wang Ching.) Traitor, you pretend that you are a member of the Youth's Vanguard Battalion!

Wang Ching If you don't believe me—go and ask.

Li Chiang (Rushes on radiantly.) I took the password! I took the password! I came back with them at once. This is going to cost the Japanese plenty!

Wang Ching (To Yang Cheng.) Now, haven't you heard that we sent the password?

Yang Cheng: (Greatly affected.) Ha . . . little comrade (patting him lightly on his arm) . . . little comrade, you're a brave fellow. (Laughs.)

Wang Ching: So I wasn't boasting? Is that right?

Yang Cheng: No, no. (Laughs again.) Shall we take the Japanese soldier away?

Wang Ching: Of course we'll take him. Even if we let him go back to his own army, we've got to teach him our principles first.

Yang Cheng: All right, all right. (Advances to take hold of the Japanese soldier.)

Li Weng-hui: (Enters in civilian clothes, with gun. Looks around.) You've captured a live one!

Yang Cheng: Yes, a live one!

Li Chiang: Papa, do you have a gun too?

Li Weng-hui: No gun? I've enlisted in the People's Self-Defence Army!

Li Chiang: Papa, are you enlisted in the People's Self-Defence Army?

Li Weng-hui: If I don't enlist in THAT army, how can I live?

Li Chiang: I have joined the Youth's Vanguard Battalion of the People's Self-Defence Army. And I've just done my first job. This little hero (pointing to Wang Ching) stole the password of the Japanese army and I carried it to our army.

Li Weng-hui: (Laughs heartily.) Ah! Then my son has also become a little hero! (He takes him in his arms.)

THE COOPERATIVE MOVEMENT IN JAPAN

GALEN M. FISHER

THE cooperative movement in Japan plays no small part in the economic life of the people, especially of the farmers. Within 4 years it has grown from a few thousand to well over six million members. This comparatively rapid growth may be traced to various causes. In part it is due to the fact that societies akin to the modern cooperative had existed in Japan from ancient times, in part to the economic pressure under which the farmers and small merchants have suffered in recent decades, and in part to governmental support.

The oldest precursor of the cooperative was the *tanomoshi-ko*, primitive credit and loan society introduced from China in medieval times. Today the country is dotted with various kinds of *ko* or with a similar society known as *mujin*. Each member of such society deposits small instalments in the treasury, and from time to time draws a loan or bonus, usually by lot. Societies of this kind are especially popular in rural areas, the members frequently joining in order to raise money for going on pilgrimages and excursions but it is not uncommon also for villages to draw from them part of the cost of public improvements. Nearly half of the 32,000 families of Wakayama, a provincial city, are affiliated with them.

A closer approach to the true cooperative was the *Hotokusha*, a mutual savings and credit society, with a strong note of altruism founded in 1843 by the famous farmer-sage, Ninomiya Sontoku. The next step was the formation of two silk-marketing cooperatives in Gumma Ken, north of Tokyo, in 1878-80, when there was a civil war in the southwest, and farmers were hard pressed by soaring prices. There is a presumption that these two societies were influenced by the original Rochdale cooperative in England, though this has not yet been definitely established. It has, however, been proved by the investigations of S. Maruoka, in 1927, that the Kyosaisha, a society formed in Tokyo about 1879, was organized along lines very similar to those of Rochdale. Further inquiries by Dr. Kiyoshi

Ogata confirmed this discovery The society had about 500 members, among whom were well-known men. It had a fairly large warehouse and store, distributing rice, bean-paste and soy bean sauce; but misappropriation of funds by the cashier led to complete failure in less than three years As the Kyosaisha was the first society with a distinct anti-capitalist bias, it is probably correct to call it the pioneer cooperative of the Rochdale type in Japan [1]

The contemporary cooperative movement may properly be dated, however, from the activities of Viscount Y. Shinagawa and Count T Hirata, who spent several years studying social conditions in France and Germany in the 1870's and '80's, where they were much impressed by the Raffeisen and Schultz-Delitsch credit cooperatives They decided to introduce them in Japan, to supply cheaper credit to farmers In 1891, therefore, when Viscount Shinagawa had become Minister of the Interior and Count Hirata an official in the Legislative Bureau, they drafted a Cooperative Credit Society law The draft was laid before the Diet in 1891, but in spite of its eminent sponsors, it failed to reach a vote, because of the precipitate dissolution of the Diet over a budgetary deadlock

Even though the bill was tabled, the agitation connected with it led to the establishment of many cooperative societies during the next few years, some being independent and some attached to the local *Hotokusha* There was also opposition to this semi-foreign idea, partly from suspicion that it was alien to the genius of Japan and partly because of the jealousy of the older native societies, and besides, critics made much of the fact that not a few of the new ventures had failed, although this was not surprising, because of the dearth of competent and trustworthy managers Nevertheless an official investigation showed that there were 101 of the new credit societies in 1896 and 144 by 1898, with a membership of 21,654 and property worth 922,396 yen. The forerunners of cooperative marketing and purchasing societies were also gaining a foothold in several of the central and eastern prefectures During the next 20 years the purchasing societies gradually extended their scope to include not

[1] Nihon Kyodo-Kumiai Undo Hattatsu Shoshi," ("The Growth of the Japanese Cooperative Society Movement"), by S Maruoka, in *Kyodo Kumiai Undo*, August, 1928 also *The Consumers' Cooperative Movement in Japan*, by Kiyoshi Ogata, Tokyo, Sangyo Kumiai Chuokai, 1929

only seed, cocoons and food, but also fertilizers, tools and machinery to be used by groups of members in rotation

Accordingly, the Government decided in 1897 to regularize and foster an all-inclusive cooperative movement by the enactment of comprehensive national law The Credit Society bill of 1891 had been presented through the Department of the Interior, but chang in the intervening years led to the sponsoring of the new bill by Department of Agriculture and Commerce The bill drew on both the Rochdale and Raiffeisen models and provided for credit, pur chasing, marketing, producing and utility cooperatives—the utility category ranging from the cooperative use of machinery and d animals to the operation of hospitals and kitchens The bill w presented to the House of Peers in 1897, but no final vote could taken before the close of the session The Government there drafted another bill in 1899, with improvements suggested by fu ther discussion and experience This was laid first before the L House, adopted by both Houses in February, 1900, and promul in March Of the two pioneers of the movement, Count H worked for this bill as a member of the House of Peers, and Vi count Shinagawa lived just long enough to see it become law[8]

Even after the enactment of the law, unforeseen situations m necessary six amendments between 1900 and 1926 In 1909, the or ganization of a national union was authorized and local coopera tives were allowed to engage in manufacturing In 1914, the form tion of urban credit cooperatives was permitted, and also the establishment of warehouses for the storage of rice and other grai In 1923, a central cooperative bank was authorized, and in 192 non-members were allowed to use the facilities of utility cooper tives, within specified limits. The "producing" societies were dropped, as conflicting with private capitalistic enterprise

The number of all cooperative societies increased to 1,671 by the end of 1905, to 7,308 in 1910, and to 12,523 by the end of 191 Membership grew even more rapidly, from 68,730 in 1903 to 1,57

[8] *Nihon Sangyo Kumiai Hattatsu Gaikan*, or *Outline of the Development of In dustrial Cooperatives in Japan*, Pamphlet No 9, Central Union of Cooperative Soci eties in Japan, Tokyo 1930 Also, *Nihon Nosan Sangyo Kumiai no Tembo* or *Pro pects of Rural Cooperatives in Japan*, by Kotaro Sengoku and Hideo Shimo Tokyo 1936

450 by the end of 1918, when the capital invested in cooperatives amounted to 192,004,390 yen, then equivalent to about U S $96 million In 1920, the various types of cooperatives included Credit, 12,880; Marketing, 8,226; Purchasing, 10,924, Utility, 4,358 These figures include a good deal of overlapping, because of societies listed under more than one classification, but they suffice to show the substantial expansion of the movement

As early as 1904 there was formed what later became the Central Union of Cooperative Societies, sponsoring the annual meetings of the influential National Cooperative Congress In 1905 the rural credit societies were far more numerous than any other type, with purchasing societies next in number By 1910 there was a strong tendency for societies to combine two or more functions, and societies which combined either credit and purchasing, or credit, selling and purchasing amounted to about half the number of the pure credit societies The tendency toward combination increased further after 1918, and at the present time about half of all the societies combine the four types of function in one organization

THE JAPANESE cooperative movement has always been predominantly agricultural, though from 1914, when the law was amended to authorize town and city credit unions, these have also become important—not so much in their numbers, which reached 271 in 1935, as in the size of their financial operations The consumers cooperative store movement has, however, made slow progress in Japan as compared with Europe The first such store, the *Kyodokai*, was established in 1901 at the very heart of the Empire, in the Lower House of the Diet, by a minor official who persuaded some 20 associates to join him Enrolment from various Government departments grew so rapidly that by the sixth year membership reached 2,184, and yearly sales 230,599 yen In 1925 membership was 7,172 and sales 494,903 yen The society now has five branches in Tokyo and its suburbs and owns a rice-polishing mill and three food factories A vigorous ally of this cooperative was organized in 1909 in the Department of Communications, and other stores modelled after it totalled 44 by 1918.

One of the most flourishing of the earlier cooperative stores was

established in 1913 among workers in the Nippon Steel Works of Hokkaido, and one of the very earliest among all cooperatives was that of the workers in the Government arsenal at Tokyo, founded in 1898 under the leadership of Sen Katayama, then a Christian social worker and later an emigré Communist in Moscow. Katayama was then chief secretary of the Society for Promotion of Labor Unions. In general, however, the cooperative movement in Japan has not been closely associated with the labor movement, as it often is in other countries. There are practically no cooperative societies composed exclusively of labor union members--largely because of Government repression of the labor movement, which the early workers' cooperatives were unable to survive. Nearly all of the 2[illegible] odd workers' cooperative stores which now exist were started after the World War.

Practically no Japanese cooperatives, up to the post-war period were faithful to the Rochdale principles. Some were guilty of political partisanship, others failed to give their members a rebate at the end of the year, and others were guilty of competing with fellow cooperatives. It was not until Dr. Toyohiko Kagawa and his associates organized consumers cooperatives at Osaka and Kobe in 1920 that the Rochdale principles were fully observed.

There was a short, spectacular boom in Japanese industry, agriculture and shipping during the middle period of the World War. Agricultural prices rose until many a struggling farmer thought he might soon become well-to-do. Mushroom fortunes in the cities in get-rich-quick companies carried up the prices of stocks and bonds but industrial wages lagged far behind and the high price of rice after a succession of poor crops, led to the notorious "rice riots" of 1918. The boom collapsed in 1920, when banks and commercial companies failed in great numbers. Many cooperatives which had been tempted by the prevailing mood to make loans on poor security and to speculate in fertilizer, rice and cocoons, went down.

The following hard times, however, gave a great impetus to the cooperative movement, as people were forced to count their pennies and reduce expenses. About a third of all societies, at the end of 1925, had been started during the two years after the war. It was to help the hard-pressed wage-earners that Kagawa, in 1920, took

the lead in forming the *Kyoekisha* cooperative store in Osaka, and shortly after, a similar cooperative in Kobe. These two stores have been unique in their loyal practice of Rochdale principles—a difficult achievement during the middle twenties, when the swing toward Communism was strong among both workers and intellectuals. The Kyoekisha was the first society to stress the participation of housewives, by founding the *Kateikai* or family association, after the model of the British Cooperative Women's Guild. Dr. Kagawa's example and counsel also inspired students in several Tokyo universities to form consumers cooperatives, the largest now being the *Katei Kobai Kumiai*, or Family Cooperative, formed at the Imperial University in connection with the Young Men's Christian Association. At the peak, it has had a membership of over 30,000.

Cooperatives increased from 12,523 in 1918 to 14,047 in 1922, membership from 1,878,450 to 2,734,695, and capital invested from 192,-004,300 yen to 518,470,066 yen. There was no growth between 1927 and 1933, but the yearly increases before and after this period created a total, at the end of 1936, of 15,457 societies, 6,197,000 members and over two billion yen in capital.

All cooperatives are classified, as to financial responsibility, in three categories: limited, unlimited and guaranteed. Until 1931 nine-tenths of all cooperatives were in the first category. The Government and cooperative leaders then put pressure on them to advance into the second and even the third category. As a result, the number in the third or highest category had leaped by the end of 1935 to 7,571—well over half the total, and a 33-fold increase in four years. Under "guaranteed responsibility," all the capital of a cooperative and an agreed amount per member must be applied to meet obligations. The effect has been to place the entire movement on a sounder basis and to enhance the standing of many individual societies, because when both directors and members are personally liable up to a certain assessment, they are more conservative in their policies.

The founding in 1923 of the Central Cooperative Bank greatly facilitated the supply of credit to local societies and added stability to the whole movement. The bank has a paid-up capital of 30,700,000 yen and in 1934 had reserves of 28,267,130 yen and outstanding loans of 142,105,108 yen. Another important organ of the movement is

the National Cooperative Wholesale Purchasing Society, which buys advantageously for all the member societies In 1934 it did a business of 73,675,286 yen. The National Treasury has been the ultimate source of its capital and working funds, having supplied, by 1935, a total of 103,699,000 yen; 12,805,000 granted outright and 90,854,000 in Central Cooperative Bank bonds purchased by the Treasury

Fluctuation in the price of rice and other agricultural staples largely because of unpredictable crop variations, has for ages caused difficulty in Japan In the late seventeenth century an economist and statesman named Kumazawa Banzan urged the Shogunate to undertake public storage, but it was not until 1914 that the Government enacted an Agricultural Warehouse Law Farm cooperatives were authorized to operate these warehouses, of which they controlled 97 per cent out of a total of 4,334 by the end of 1935 The business is large in 1934, 25 million bags of unhulled rice and 45 million pounds of silk cocoons were stored Other important storage goods are fertilizer, wood and coal, sugar, wheat and barley The short terms for which they are stored are an index of economic balance In 1933 and 1934 rice and cocoons were the only important items held for longer than six months

The geographical distribution of cooperatives and the status of members are data which add interest to the statistics of growth The total number of societies in 1935 exceeded by 30 per cent the total number of cities, towns and villages in the country, and 70 per cent of the members, in 1934, were farmers Merchants comprised 11 4 per cent, "miscellaneous" 11 per cent, artisans 4 9 per cent fishermen 2 per cent, and foresters and corporation members each 02 per cent The distribution is remarkably even, ranging from 40% of all households in Hokkaido, in the far north, to 83 2 per cent in the Eastern Mountain region The share subscription required in more than half the societies reported on is less than 20 yen (about U S. $6.00 at present rates), which partly explains the large membership among the farmers, poor as they are

The record of the cooperative movement has not been one of unimpeded progress. According to Sengoku and Shimada, whose authoritative work has already been quoted, 13,151 societies were formed from 1902 to 1914, of which only 15.1 per cent failed From

1915 to 1926, the mortality was 77 per cent out of 9,091 societies formed. The period from 1927 to 1933 was disastrous, with the societies going out of business outnumbering the new societies started. Nearly three-quarters of all dissolutions were voluntary, the rest being by Government or court order. Among the causes were lack of capital, small membership, discord among members, and incompetent officers; but the chief cause was reorganization or combination with other cooperatives.

External opposition has also been noticeable, especially since the cooperatives became strong enough to compete with capitalistic enterprise. The cooperatives as a whole have not attacked capitalism and have not been partisan in politics, but their exemption from taxation and their encroachment on both manufacturing and retail trade have aroused vehement and organized opposition, especially since 1931. The attack has centered on the Cooperative Wholesale Society and the Federated Cereal Trading Cooperative Society, the two chief national commercial agencies of the movement. The National Chamber of Commerce and Industry and various specialized national organizations, especially fertilizer manufacturers and dealers, have carried on a concerted campaign. In the winter of 1932-33 the National Fertilizer Alliance called on the Government to annul the tax exemption and other special privileges of the cooperatives, on the ground that they undermined the business of the 50,000 dealers in fertilizer. In case this could not be granted, some of the petitioners proposed that the fertilizer business be nationalized and the present owners compensated.

Rubber manufacturers and dealers protested in 1932 to the Ministers of Agriculture and Forestry and of Commerce and Industry against the entry of the cooperatives into rubber manufacturing and distribution, and called for a clear distinction between the functions of production, trading and consumption. Until 1931, again, the Cooperative Wholesale Society sold a large part of the rice crop directly to consumers, but in 1932, in deference to the protests of wholesalers, it made two-thirds of its sales to wholesalers at the point of production, and only one-third to consumer cooperatives, polishers and other consumers. The campaign of opposition was pressed in the Diet of 1933. The Ministers of Agriculture and

Forestry, of Commerce and Industry, and of Finance, in varying degrees, defended the special advantages extended by the Government to the cooperatives, against interpellations in the Lower House. The first two Ministers pointed out that the cooperatives gave great relief to nine and a half million hard-pressed farmer fisherman, retailer and small manufacturer members, and that it was to the general interest to grant them capital at low rates and corporate exemption from business and income taxes. The Minister of Finance more guardedly promised "careful consideration," but pointed out that it was not unsound to grant to non-profit cooperatives a treatment different from that accorded to ordinary business. The reported sympathy of the Army for the cooperatives, as benefactors of the masses of farmers and laborers, indicates that the cooperatives may continue to be protected.

Nothing daunted by opposition, the Twenty-eighth National Congress of the cooperatives at Osaka, in 1932, enthusiastically undertook a five-year expansion campaign. This grew out of proposals from several district federations. It was decided to increase the number of both societies and members, so as to benefit many more of the humbler people; to strengthen national and district agencies and to extend the influence and efficiency of the whole movement. Though there has been persistent effort to surpass the goals then set, the data for the first three years indicate that the quotas had not then been reached in numbers of societies and members, number of societies undertaking multiple functions, or capital and turnover though large gains have been made. The membership increase was 700,000 and the number of societies changing from limited to either unlimited or guaranteed liability increased from 1,427 to 9[illegible]. Urban credit societies especially have grown, in membership and financial reserves, which totalled 235,499,532 yen on June 30, 1936.

AMONG other recent developments are the manifold activities promoted by Dr. Toyohiko Kagawa, already mentioned for his connection with the movement at Osaka and Kobe in 1920. From the Osaka-Kobe movement sprang in 1926 a rural cooperative federation headed by Dr. Motojiro Sugiyama, a leader of rural reform both as a volunteer and as a Member of the Diet. Kagawa next took

a hand in the student and laborer cooperatives in Tokyo For the latter, he and the Hon. D Tagawa, a Member of the Diet, in 1928 formed the Nakanogo Credit Cooperative in Honjo, one of the poorest wards in the city, where the people were thriftless and dependent on pawnshops to raise ready cash Accordingly, it was decided that a low-rate pawnshop should be a leading feature of the Honjo Cooperative It was organized on the Raffeisen model, instead of the Schultz model followed by most Japanese credit cooperatives, and has been very successful, largely because an able Christian pawnbroker was found to manage it From it have sprung five other shops The Honjo Cooperative also started a Good Food Cooperative Kitchen for the hundreds of small-scale factories in the vicinity Within two months of opening, in 1936, it was running at capacity, serving 6,000 meals a day at a cost of 28 sen (about 9 American cents). It uses modern steam equipment and quality is assured by a municipal government dietician The daily portion supplies approximately 2,800 calories There are three dishes to a meal, placed in tight containers to keep them warm and delivered by truck over a radius of one mile A second kitchen with a capacity of 10,000 meals a day was opened in 1937 The kitchens have the approval of workers, of factory owners and the police

In 1931, Dr Kagawa applied the cooperative idea to the provision of good medical service at low cost. With the aid of the late Dr Inazo Nitobe and some Christian physicians, and in spite of opposition by the Medical Association, Government authority for the first medical cooperative in Tokyo was won in 1932 By the end of 1936 it had over 7,000 members, including half of all the residents of the immediate district It is now planned to build a nurses' home, lecture rooms, and offices for related cooperatives

Some years ago Kagawa built a cottage near the foot of Mount Fuji, for one of the Young Farmers' Training Schools pioneered by him and Dr. Sugiyama. Though pigs were raised in the district, the market for fresh pork was poor. He sent one of the farmers to Yokohama to learn how to make sausages, ham and bacon and converted part of the cottage into a curing factory. The prefectural authorities have asked that the venture be enlarged so as to provide for more of the needy farmers around Mount Fuji.

To meet the need for competent cooperative managers, a chief cause of business failure in the past, the Central Union of Cooperatives has a training school for managers; but the school was too small and the enrolment restricted too closely to men with some official connection. Kagawa and his associates therefore started a Cooperative Management School with a three months' course, from which 86 men had been graduated and 60 provided with positions up to the end of 1936 The Central Union of Cooperatives has for years published *Ie no Hikari*, or *Light of the Home*, a monthly magazine, one of its objects being to enlist the intelligent support of housewives Two years ago the editors asked Kagawa to write a serial story, in order to increase subscriptions and inject cooperative ideas through the medium of fiction His story is said to account in considerable measure for an increase in circulation to 1,300,000 in 1937, the largest of any monthly magazine in the Empire

The leaders of the cooperative movement deserve much of the credit for the enactment in 1937 of the notable National People's Health Insurance Act, which brings medical care for the first time within reach of millions of farmers It was Kagawa who, in 1936 in a long personal interview overcame the skepticism of the Cabinet Minister who was blocking submission of the bill to the Diet The Act provides that after two-thirds of the qualified residents have voted to form a health cooperative, the remaining third may be compelled by Government order to join.

A word may be said respecting the relation of the cooperative movement to party politics Considering the repeated recourse of opponents of the cooperatives to political pressure, it would not be strange if the cooperative movement had yielded to the temptation to adopt the same weapon In this connection, it is pertinent to refer to an analysis of the cooperative selling societies prepared in 1933 for the Institute of Pacific Relations by the Tokyo Institute of Political and Economic Research This analysis showed that such societies have not only helped to standardize the quality and sizes of packages, to eliminate middlemen, and to control seasonal price fluctuations through planning and crop storage, but also have done not a little to restrain monopolistic combinations of profit-making capitalistic enterprise. It is this last achievement which more than

anything else has stirred the opposition of the big industrialists The cooperative organizations have, however, resisted the temptation to identify themselves with any political party Instead, the leaders both of the Central Union of Cooperatives and of the Young Men's Cooperative Alliance three years ago decided to support the candidacy of men of any party who avowed their belief in cooperative principles, and to endeavor to educate their own members as to the bearing of political issues upon their interests

Mention has been made of the fact that the general cooperative movement represented by the Central Union of Cooperatives has leaned heavily on the national Government This has been both its strength and its weakness With the bulk of the capital of the Central Cooperative Bank being supplied by the Treasury, and with the prefectural governors generally serving as honorary chairmen of the prefectural cooperative leagues, it would be strange if both national and provincial officials did not have much to do with the conduct of the movement The officers of the Central Union are aware of the drawbacks of this relationship, but only a fundamental and revolutionary change could extricate the movement from the bonds forged through four decades All the more importance therefore attaches to the considerable body of societies which stand free of entangling alliances with the Government Among their leaders are men like Kagawa and Sugiyama Their relations with officialdom are by no means lacking in cordiality, but it is their distinctive role to avoid Government patronage and dictation, and to stress self-reliance, self-government, and the other democratic principles deriving from Rochdale

In the National Congress of Cooperatives the Consumers Cooperatives, which tend a little toward the left and are anti-bureaucratic, have repeatedly attempted to get governmental approval for splitting off from the Central Union of Cooperatives But the authorities have always vetoed the move, because they fear the alleged anti-capitalistic and radical purposes of the consumer cooperative leaders It should be added, however, that since the Manchurian Incident, and even more since the present conflict began in China, the liberal wing in the cooperative movement, as everywhere else, has tended to forget its differences and join the united front.

THE NATIONAL General Mobilization Law of March 1938 will radically affect the cooperatives if and when certain of its 50 provisions are applied Up to October 1938, however, only articles 6 and 21 had been invoked—apparently without direct bearing on the cooperatives Yet sooner or later, the Government is obviously planning to bank heavily on the cooperatives as agents in mobilizing national resources The Ministry of Agriculture and Forestry on July 12, 1938, ordered prefectural governors to organize cooperatives before August 31 in all the 700 towns and villages which lack them Grants-in-aid were to be made by the Government On the following day, the National Liaison Committee of Cooperatives laid plans for facilitating the execution of this order [3]

A much greater access of strength to the cooperative movement was forecast in June last, when it was stated[4] that the fishermen's associations were shortly to be converted into cooperatives This would add 630,000 owners, employing 863,000 workers, to the cooperative ranks Their annual catch is valued at 210 million yen Some 70 per cent of the catch is taken in gasoline motor boats Among the chief objects of the plan are the regulation of the number of boats in each area, the joint purchase of fuel, and cooperative storage and refrigerating facilities

The most serious problems arising from the China conflict, in whose solution the cooperatives are being groomed to play a leading role, are the shortage of farm labor and the concomitant danger of food shortage[5] At first the authorities expected the conflict to be short, and therefore laid stress on expanding the heavy industries rather than on agricultural production But with the protraction of the conflict the danger of agricultural shortage has become so serious as to demand resolute measures The demand for farm products in a major war speedily rises to far above normal; man power, draft-animals and trucks have all been sucked in large numbers from the farms in order to supply the fighting forces; a considerable number of farmers have also been requisitioned to man heavy industries The effects of thus stripping the farms began

[3] Tokyo *Asahi*, July 12 1938, evening edition, p 1

[4] Tokyo *Asahi*, June 16, 1938, p 4

[5] "Agricultural Productive Capacity under Wartime Conditions and Its Maintenance" by Okudani Matsuji, in *Shakai Seisaku Jiho* (*Journal of Social Policy*), August 19

be apparent even during the autumn of 1937 A survey made by the cooperatives in 12 prefectures, published in November 1937, showed that in some areas, especially near industrial centers, farm hands consisted almost entirely of women, old men, and children [6] To meet this situation, the cooperatives are actively organizing labor aid squads to serve farming, forestry and fishing families who may be suffering from loss of members by conscription,[7] extending cheap credit and fertilizer supply; and in the greater mechanization of farming The Ministry of Agriculture and Foresty intends to have cooperatives purchase and operate machinery such as is now owned only by a limited proportion of farmers [8] Such extensive mechanization may have far-reaching repercussions in the post war economy Also, under the Agricultural Land Adjustment Law cooperatives and certain other rural organizations are now for the first time permitted to purchase, own and operate farm lands

The lowered vitality of the farm population, due to over-exertion to increase production and compensate for the labor shortage, has stimulated the Government to a rural health program, the cooperatives being made the chief agents to coordinate the efforts of civic officials, schools, physicians, midwives, and others Among the newer emphases are the establishment of medical cooperatives and the provision of cooperative cooking by farm households during the busy seasons, in order to economize time and money and improve the quality of the food [9]

San Francisco, October 1938

[6] Tokyo *Asahi*, June 19, 1938, p 4
[7] Tokyo *Asahi* June 29, 1938, p 3
[8] *Chuo Sangyō Kumiai Shimbun (Central Cooperative News)*, June 8, 1938
[9] See article by Kurokawa Taichi, in *Shakai Seisaku Jiho*, August 1938

COMMENT AND CORRESPONDENCE

CAN THE SOVIET UNION BE ISOLATED?

MORE than any one nation, the Soviet Union today holds the balance of power in both Asia and Europe. Was the dismemberment of Czechoslovakia, in which Great Britain, as Mr. Roosevelt points out in his article in this issue, did not merely acquiesce but actively participated, intended as a necessary preliminary to the isolation and encirclement of the Soviet Union? If so, will it succeed? Any attempt to forecast correctly the results of Germany's expansion in Europe and Japan's attempt to conquer China must depend on the answer to this puzzle.

Since the betrayal of Czechoslovakia there has been a great deal of confusion, especially in England, over the theoretical question of whether the Soviet Union would have honored its conditional obligation to support France, if France had supported Czechoslovakia. This, it seems to me, is the wrong way to approach the problem. The right way is to ponder, first, the Soviet Union's very evident willingness to defend its own Siberian frontier against Japan, earlier this year, and its equally evident ability to do so successfully. This demonstration, it should be remembered, was made when the Soviet Union might well have become involved in fighting both in Europe and Asia, and is evidence that the Red Army was prepared to carry on two wars at once.

Given the willingness of the Red Army to fight, in the only case in which an experimentally minded aggressor has actually tried conclusions, it must be conceded that the Soviet Union holds a stronger strategic position than ever. Against Germany, the Red Army no longer has a plan for the defense of the awkward salient of Czechoslovakia, but can dig in on its own territory. To attack the Ukraine, Hitler's "pure" Germans will have to cross a belt of Slavic populations, who may for the moment be subservient, but have already been taught that the Germans will always despise and abuse them. Against Japan, the Soviet position is even better. The Japanese have been thrown back from Siberia with great loss of prestige, and forced to involve themselves more inextricably than ever in a war in China which is more hopeless than ever.

These conclusions are difficult to dispute, and seem to me to outweigh the many allegations, all of them speculative, to the effect that

the Red Army has been "demoralized by purges" The only positive evidence on the record is clear France and Great Britain have not been willing to fight The Soviet Union has been willing to fight, and has actually fought, in self-defense, but has refused to take the aggressive, even when it looked profitable, as in Siberia

There is an implication in M. Lévy's article, also published in this issue, that the Soviet Union has "revealed its permanent ambition to establish its sovereignty over Outer Mongolia" Does this mean that the Soviet Union is achieving successfully, at China's expense, the kind of aggression in which Japan appears to be failing? This appears to me to be not only an inaccurate interpretation, but one that is crudely inaccurate The truth is that the Mongols have been driven by fear of Japan to ask for all the Soviet protection they can get Japan may also yet succeed in driving the Chinese into the arms of the Soviet Union—where they certainly would not go of their own accord More than that, France and Great Britain may yet be driven to beg from the Soviet Union the assistance which they refused in the case of Czechoslovakia

For, arguing from the record, there is every probability that Germany, Italy and Japan will go on grabbing what they can from Great Britain and France, rather than rush headlong against the enigmatic menace of the Red Army This is common sense, for Great Britain and France have surrendered every threat, while the Soviet Union has surrendered nothing, has made no bluffs that could be called, and has called one bluff very effectively

Consequently, the recent policy of Great Britain and France has not only been disastrous to democracy and the way of evolution, making more grim the opposing extremes of revolution and counter revolution It has also completely failed to encircle or isolate the Soviet Union, and given it instead a greatly increased though still not clearly defined power in the affairs of both Europe and Asia

O L

A DENIAL OF SOME STATEMENTS BY J S ALLEN

To the Editor of PACIFIC AFFAIRS·

SIR

In your March 1938 number you published an article by Mr James S Allen entitled "Agrarian Tendencies in the Philippines" to which

we must and do take exception, principally because our name and alleged facts regarding our estates are quoted in such a manner as to imply that our procedure in the management of our estates and our treatment of our tenants is on a par with the pernicious, vicious, usurious, land grabbing and overbearing treatment described by Mr Allen with reference to landowners generally in the Philippines

The statements regarding other properties we do not propose to discuss, in the first place because we have no knowledge of actual conditions and in the second because it is no concern of ours, but in so far as the Luisita Estate is concerned Mr Allen has not made one correct statement This Estate is not 24,000 hectares but only 10,392, of which —2 are devoted to sugar cane, including land which is fallow for one crop, 865 are devoted to rice and the balance consists of a small amount of forest, land unsuitable for cultivation and land occupied by dwellings, roads, canals and railways

The wage paid by the Company to sugar tenants, who are not sharecroppers, is the current rate for manual labor in the region, and varies from 50 to 70 centavos per day, in addition to which they are allowed to live in houses built on the Estate and they are assigned a plot of land on which they are permitted to cultivate vegetables or rear domestic animals for their exclusive benefit without payment of any rent They are also provided with medical assistance and medicines free of charge This Company does not own or operate a "cantina" on the Estate There is a public market in Barrio Luisita, within the Estate, and food can be purchased in the market or at independent shops at prices more or less equal to those prevalent at Tarlac itself Furthermore, a bus line runs over part of the Estate and into Tarlac and tenants can procure their supplies there if they so wish.

Finally, this Company has never charged any of its tenants one centavo interest for advances in money, rice, livestock or any other supplies

We would like to add that this Company holds no monopoly either in tobacco or in industry Our purchases of tobacco are made in competition with several other buyers for export, resale or for cigar factories There are several cigar factories in the Islands and in so far as industry is concerned, outside of the Tarlac and Bais Sugar Centrals we have practically no industrial interest There are several firms in the Philippines who are far more interested in industry than we

We would be very much obliged if you would please forward to Mr. Allen, whose address we do not have, a copy of this letter which is enclosed, and shall be very grateful if you will kindly publish this

etter in your next number of PACIFIC AFFAIRS This Company has been operating in the Philippine Islands for 57 years and has gained a reputation for fair dealing which it cannot allow Mr Allen or anybody else to slur by thoughtless or malicious innuendos, and the inexactitudes concerning our Estate contained in his article prove that Mr Allen did not examine and check his data, as he should before he offered to you the article which you have published

Thanking you for this courtesy, we are

Yours faithfully,
COMPAÑIA GENERAL DE TABACOS DE FILIPINAS
Manila, Seccion de Tarlac August 9, 1938

Not having been able to get in touch with Mr Allen before going to press, we await his reply in the next number of PACIFIC AFFAIRS — *Ed*

ON THE QUESTION OF BEING "PRO" OR "ANTI"

In a letter to the Secretary of the Canadian Institute of International Affairs, Mr R F McWilliams of Winnipeg has made certain criticisms of PACIFIC AFFAIRS which will undoubtedly be of interest to all our readers Mr McWilliams feels that our presentation of the claims of China and Japan has been too one sided "I am neither favorable to Japan or antagonistic to Communism," he says, "but I like fair presentation of all sides of a subject PACIFIC AFFAIRS is supposed to be the organ of an international organization which includes the Japanese, but its whole presentation is extremely one sided I do not suggest 'spokesmen,' but either both sides should be represented, or else PACIFIC AFFAIRS should present more articles of balanced judgment like Robert S Morton's 'Japan and China A War of Minds' (September 1937)"

We welcome this opportunity to review the recent record of PACIFIC AFFAIRS and invite others among our readers to make suggestions and criticisms It appears that Mr McWilliams has a clear idea of the kind of journal that PACIFIC AFFAIRS ought to be. As a number of nations are represented in the Institute of Pacific Relations, there ought to be, whenever the interests of two nations clash, a "pro" spokesman and an "anti" spokesman

This type of international journalism is, as a matter of fact, already well represented by a number of publications in a number of countries

Readers all over the world, if they wish to acquaint themselves with the "semi official" or "unofficially official" interpretation of current controversial issues, need encounter no difficulties

The whole tradition of the Institute of Pacific Relations, however, is not representative of this kind of formal or quasi formal exchange of views The Institute, recognizing that this useful function is already fulfilled by other bodies, has always had in mind the broadening and deepening of the discussion of international questions, rather than the duplication of services already efficiently provided by other bodies It has therefore always emphasized the private views of individual citizens of as many countries as possible, but at the same time it has consistently worked to find and bring forward individuals who, in addition to speaking for themselves, could speak as typical representatives of significant groups, interests and movements In this way it has developed a type of "spokesman" of its own, recognizably different from the type which Mr McWilliams apparently wishes to see more fully represented in PACIFIC AFFAIRS

However, PACIFIC AFFAIRS has established within the Institute a function of its own which, we think, has within the last few years largely justified itself, and is expressed in various activities We contribute to the general documentation of issues discussed by the Institute and various bodies within the Institute, or affiliated with the Institute Although probably no two authorities would agree on a definition of the "expert" and the "general" public, we do, we think, provide a bridge between experts and general public Above all, we attempt to avoid a "static" presentation of issues, but to show, instead the way in which things are going and the way in which they are likely to go

Specifically, we think that during the current attempt to subdue China PACIFIC AFFAIRS has successfully integrated the background of historical processes with the foreground of recent events Is it not true that our readers have been led to expect, from the beginning, a protracted and increasing Chinese resistance which many believed impossible, but which we have both predicted and described, in actual detail? At the same time, we have not led our readers to expect a "sudden collapse" in Japan Is it not true also that our readers are in an unusually good position to appreciate the full seriousness of the fall of Canton and Hankow, but at the same time can realize what little likelihood there is of a "sell out" that will cripple China?

In September 1937, we published a group of articles on "Rural Reconstruction in China," "Soviet Society in Northwest China," and "The New Era in Chinese Railway Construction," which gave readers an insight

into topics widely discussed at the beginning of the war the Chinese claim that what Japan really feared was a united and progressive China, and the Japanese claim that China was in danger of Bolshevization One article in this issue, "Japan and China A War of Minds," by Robert S Morton, a writer with especially close Christian contacts in both countries, was particularly widely quoted

In December 1937, an article on American Far Eastern policy from 1931 to 1937 analyzed trends which continue to be of undiminished importance. An article on "Japanese State Finance" discussed the methods and after effects of the financing of previous Japanese wars, and in so doing made it easier to understand Japanese financial policy throughout 1938 An article on "The Press and Japanese Thought" threw an indirect light on the exceedingly dark problem of whether Japanese public opinion and Japanese war mindedness are one and the same thing An article on Japanese prospects in Inner Mongolia made it clear that the Japanese would not rapidly and easily establish an "independent Mongol state," which most experts expected at the time An article on "Japan's 'Special Interests' in China" accurately forecast the special Japanese encroachment on British interests An article on "Limited War and World War" foretold, with equal accuracy, the general spread of aggression that would result from failure to check Japanese aggression in China

In March 1938, an article (by a Japanese author, and naturally somewhat guarded in its terms) discussed some of the factors that have since led to tightening of military political control in Japan An article on the processes of transformation in the Chinese army showed how it is possible for the Chinese to become steadily more formidable as soldiers, even though retreating This was when the great and growing strength of the Chinese was by no means as generally understood as it has been since Japan's "hunger" for war materials—which has become greater since then - was discussed in the same number

In June 1938, we began a discussion of the economic soundness of the Soviet Union, by "spokesmen" of two different points of view The importance of the subject is surely beyond dispute, in view of the widely made allegations that the Soviet Union cannot be counted on for the international support of peace, because of internal instability In the same number Japan's most distinguished authority on colonial questions wrote on the subect of Korea In view of the fact that he had recently been deprived of his university position as a "pacifist," it was unreasonable to expect him to discuss certain aspects of the Japanese record in Korea, but fortunately we were able to supplement his article by translating

excerpts from material also based on Japanese sources, but published in the Soviet Union

It is obvious from this review that all articles bearing directly or indirectly on the Japanese attempt to subdue China have been carefully selected We were faced with an alternative Should we select for the purpose of having an equal, even if artificial, balance of "neutrality," or should we select for the purpose of giving our readers the most accurate possible insight into the actual course and development of events? In view of the fact that the "spokesman" method was already being practised by others, and in view of the whole tradition of the Institute of Pacific Relations, the choice was obvious We think that the high proportion of material which is as timely today as when it was published, and the low proportion of material inserted merely as padding against shock justifies our choice

Mr McWilliams, in asserting that he himself is neither pro Japanese nor anti Communist, implies, perhaps, that PACIFIC AFFAIRS is anti Japanese and pro Communist The record of PACIFIC AFFAIRS could not be so interpreted without straining facts and distorting motives The facts reveal a steady increase of aggression, in which Japan has been a prime force They also reveal that the Soviet Union has been consistently ready to resist aggression, and just as consistently ready to negotiate points in dispute These facts are not, in themselves, either "pro" or "anti" They are merely history Nor have the motives of PACIFIC AFFAIRS been either "pro" or "anti" We have merely attempted to sample, as accurately as possible, the actual course of the history of our times, and this means that we have been ready to face earlier, rather than later, facts that the whole world will have to face sooner or later

While avoiding the practice of presenting every controversial question through two selected "spokesmen," we have also done our best to increase the representation, in PACIFIC AFFAIRS, of national points of view—a policy which is not inconsistent with our major policy of trying first and foremost, to establish the real course of events and the real trend of developments In this connection we have succeeded in gradually increasing the number of articles and reviews by Japanese writers, and we hope also, in the near future, to secure material from Soviet contributors

LAND UTILIZATION IN CHINA. *By J. Lossing Buck and Associates. University of Chicago Press.* 1938. Vol. I. *Description and Analysis.* $5.00. Vol. II. *Atlas.* $5.00. Vol. III. *Statistics.* $10.00. *Set* $15.00.

DAZED by the deluge of "surveys" with which printing presses overwhelm economists and sociologists, I approached *Land Utilization in China* in a spirit of self-abnegation. But the virtuous feeling of self-sacrifice is denied. Dr. Buck and his associates have produced a descriptive and analytical volume which can be read with interest and enlightenment. It is something more than a monument of research in the best Cornell manner. The authors have contrived a picture of a dense population for whom life is tough and over whom the shadow of Malthus persistently hovers—a population with a crude birth rate of about 38 and a crude death rate of about 27.

The facts are not merely data marshalled into tables and maps, but are the expression of forces which hold a large proportion of the world's population down to the subsistence level.

> Observers are unanimous in the belief that the population of China is already redundant and that, with existing productive capacities, a large increase in the population can only take place at the expense of a serious decline in the standard of living which is already pitifully low. A sudden check in mortality unaccompanied by a corresponding drop in fertility would, before many years, drive larger and larger sections of the population to economic levels at which subsistence is no longer possible. Hunger would accomplish what disease was prevented from doing. It is perhaps fortunate that any improvement in mortality rates will, if it comes, come gradually and may be accompanied by a corresponding decline in fertility.

It is a tragic summary of the problem of land utilization in China that a rapid decline in mortality from disease should be regarded as a potential evil.

The three volumes now published are outstanding results of the international cooperation in fundamental research initiated by the Institute of Pacific Relations, stimulated by the realization that such problems have important international, as well as national, implications. Finance was provided by the Rockefeller Foundation, through the International Research Committee of the Institute of Pacific Relations; by the Na-

tional Economic Council of China, and the Central Bank of China A large corps of investigators worked under the administration of the Department of Agricultural Economics of the University of Nanking

In addition to providing source books for agricultural economics, rural sociology, geography, international affairs, and problems of population nutrition and standards of living, the project built up a corps of research workers in a country where problems are manifold and the number of competent research workers as yet too few In the absence of a census, which in present circumstances may be long delayed, these volumes will stand for many years as definite reference works on the economic and social problems of Chinese agriculture

It is impossible to summarize the range of topics covered and the conclusions reached Field work was spread over eight years in 22 provinces and 168 localities, in an area of nearly 1,400,000 sq miles It covers 16,786 farms and 38,256 farm families The earlier chapters of Vol I describe the main agricultural regions and the importance of topography, soil, climate, disease and pests, racial groups and accessibility to market as controlling factors in land utilization Drought, war and flood are front page news, but how production is limited by topography, soil erosion and wasteful practices which keep substantial areas out of cultivation is not so widely known The combination of cheap labor and high land values causes land which in other countries would be marginal, or used for forest or pasture, to be farmed in China This is one effect of the pressure of population on food supply and one cause of soil erosion Yet despite the scarcity of land in relation to the rural population, there is much avoidable waste and much scope for improvements in utilization The removal of graves from farm land, the elimination of land boundaries, and the practice of soil conservation might add nearly 25 million acres in the eight agricultural areas of China

Agriculture is more self sufficient in China than in most Western countries, but the farmer still requires ready money for many purchases Hence, although the approximation to subsistence farming, and the small holdings, encourage crops giving more food and requiring more labor per acre, the Chinese farmer is still affected by price movements dependent on currency changes The high proportion of expenditure for funerals, weddings and other social occasions eats into the meager surpluses and appears to be a factor depressing the standard of living About two thirds of the family budget is spent on food, 98 per cent of which consists of plant products and only 2 per cent of animal products Hence although the average intake of calories is adequate the diet lacks

variety and is deficient or unsatisfactory in other respects Savings are small, some farmers are badly in debt, and in many districts usury is a serious problem. The small surplus available makes the farmer especially vulnerable to individual misfortune, natural hazards, and the burden of heavy taxation collected under a wasteful system, the incidence of which is bad The average size of owner farms is only 4 22 acres and of tenant farms only 3 56 acres Farming is a type of market gardening with labor as the predominant source of power Despite the large population, the labor supply is inadequate during the peak of the season, though redundant at other times

The authors suggest agrarian reform, but make "no attempt to appraise the so-called agrarian situation which may be thought of in terms of the political, economic and social relationships between farmers and other classes of society" This, and the lack of broader generalizations, was because of the extent and complexity of the topics investigated, but can problems of land utilization be fully understood without examining other political, economic and social relationships? These indicate an important line of inquiry It would be useful to analyze how rural problems are interrelated with industrial development, international trade and relations, political organization and political movements, the class struggle and so on At the Yosemite Conference the suggestion was made to the International Research Committee that it arrange for experts to contribute a series of interpretive essays on China's political, social and economic problems It is to be hoped that this will be found practicable, so that policy may be more closely related to inquiry and more readers made familiar with the problems of China Dr Buck's analysis and the excellent collection of maps and statistics provide a necessary basis for such essays in interpretation

H Belshaw

Auckland University College, July 1938

SURVEY OF INTERNATIONAL AFFAIRS, 1935 *By Arnold J Toynbee, assisted by V M Boulter London and New York Oxford University Press, under the auspices of the Royal Institute of International Affairs* 1936 2 *vols pp.* ix/455 *and* xi/568 $13 00
THE SAME, *issue of* 1936 1937. 1 *vol pp* xiii/1006 $14 00

IN THIS excellent series, long directed and edited by Arnold J Toynbee, the Far Eastern section is now compiled by G E Hubbard

For 1935, Mr Hubbard has dealt with five main subjects Internal con ditions in China, internal conditions in Japan, Sino-Japanese relatio and the control of North China, Outer Mongolia, the Philippines A ot the observations appear to be drawn from the best sources, and t general balance is excellent, as can be seen from the treatment of Sin Japanese relations, which are allotted more than two thirds of the spa as is historically justified They continued to dominate all questions the Far East and the Pacific in 1936, and accordingly in the volume 1936 the main headings are altered to substitute the economic an strategic relations between Manchukuo and Japan for the discussion Outer Mongolia, while the survey of the Philippines is replaced by study of Japan and the Soviet Union

The fate of the Philippines, abandoned by America to a prospectiv independence which cannot fail to affect the general balance of forces i the Far East, suggests that more attention should have been given t Siam, which at this very time was passing through a peaceful revolut involving the abdication of the king and a visible increase of cordia in relations with Japan and Germany Something should also have bee said of French Indochina, whose common frontiers of 1 500 kilomete with China and 2,000 with Siam have increased so much in importan from 1937 onward Netherlands India, also, deserved mention of th importance of its oil fields, the gradual solution of its economic cris and the difficulties of its defense problems, which link it so closely w the Pacific The importance of Sinkiang, or Chinese Turkistan, migh also be suggested for future note In short, it should be recognized th it is impossible to follow the political development of the Far E without watching every country in the Far East and taking account its connections with the West and with America

Apart from this lack of comprehensiveness, Mr Hubbard's treatme is as exact, clear and circumstantial as could be expected The discussi of the character of General Chiang Kai shek, for instance, reveals bot his ability to convert the hesitancies of China, gradually, into a unit national purpose, and his own waverings in face of Japan During th first months of 1935, there seemed to be growing friendship betwe China and Japan After long interruption, Chiang Kai-shek had renew relations with the representatives of the Japanese Government in Chin The Chinese Government was giving proof of its goodwill towar Tokyo, by taking steps to control anti-Japanese agitation Instructio were sent to provincial and municipal authorities to suppress all mov ments likely to impair relations with "other countries." In Tokyo, th

Minister of Foreign Affairs still counted on attaining his purposes through Chiang Kai-shek. The Japanese military, however, disagreed with the diplomats. They were eager to press forward and openly undermined the position of Chiang Kai-shek. In June, 1935, while he was in the distant province of Ssuch'uan, Japanese interests improved the occasion by demanding the suppression of the Blueshirts and local Kuomintang branches in North China. Chiang, however, kept up the appearances of a cordial attitude toward Japan.

In November, 1935, at the plenary session of the Central Executive Committee of the Kuomintang, which was followed immediately by the fifth National Party Congress, Chiang Kai-shek scored a personal triumph by having his policy of "cooperation with Japan" approved. Fortified by the attitude and decisions of the Kuomintang, he then telegraphed to the Chinese leaders in the North to break off negotiations with the Japanese military and to refer matters in future to the Central Government. In taking this firmer line, the General's policy was to take advantage not only of jealousy between the Japanese military authorities and the Ministry of Foreign Affairs, but also of rivalry between different Japanese officers who were playing personal politics in North China. Simultaneously, believing that the building up of the hinterland of China was the only possible way of escaping foreign control, Chiang Kai-shek launched the movement for "economic reconstruction of the people," developing out of the "New Life" movement. The latter was intended to cement the foundations of spiritual and moral reconstruction, while the economic program was to further progress in national economic and material reconstruction.

In 1936 there was a quarrel between Nanking and the Southwest. This originated partly in personal jealousies. Pai Chung-hsi and Li Tsung-jen, the generals who controlled Kuanghsi, had never forgotten their bitterness against Chiang Kai-shek, from whom they felt that they had received too little reward for their share in the struggle against the warlords for national unity in 1926. Economic causes were also present, especially the loss, to the provincial authorities of Kuanghsi, of the revenue from taxes on opium in transit through the province. This had been maneuvered by Chiang Kai-shek while he was in West China in 1935; he had arranged to transport opium from Kueichou and Yunnan around by the north to the Yangtze, to be floated downstream for the benefit of the revenues of Central China, under his own direct control. It may be noted here that in these recent years, during which he had visited every province in China Proper, Chiang had never set foot in

Canton since he had left in 1926 on his triumphant march to the north.

On June 2, 1936 the three southern military chiefs telegraphed to the Central Government protesting against the reinforcing of the Japanese garrisons in North China and demanding that the Government show resistance. A week later, in spite of the fact that a special envoy sent by plane was already conferring with Chiang at Nanking, an army from Kuangtung and Kuanghsi began to move north, following the route taken by Chiang Kai-shek himself in 1926, with the plain intention of threatening the Central Government. In thus using the demand for resistance to Japan as an excuse for threatening the Central Government, the Southwestern generals laid themselves open to criticism and doubt of their own sincerity. They had not in fact shown any great zeal in preventing the penetration of Japanese influence into their own provinces and were at that very time employing Japanese technical advisors. They may also have received military supplies from Japanese sources. There was reason to believe, accordingly, that the whole campaign was nothing but a desperate expedient to avoid the growing movement for national unification under the authority of Chiang Kai-shek and the Nanking Government.

The trial by arms was brief. The Nanking authorities avoided battle, withdrawing their troops through Yunnan. The general commanding at Canton lost the support of his own people, who showed their dissatisfaction with his policy and with the fall in the local currency, for which they held him responsible. Some of his principal subordinates and most of his air force went over to Nanking, and on July 18 he fled to Hong Kong. The Southwestern army chiefs recalled their troops. They kept up their defiance of Nanking for a while, but under the pressure of a virtual blockade of the province they finally gave in. By the end of August the "revolt of the Southwest" was over, without a single soldier of the Central Government having crossed the frontiers of Kuangtung. (These very generals have since been foremost in the war of defense against Japan.)

This recital reveals the complicated pattern of all the threads that it was necessary for Chiang Kai-shek to gather patiently into his own hands. His final efforts brought him to Sian at the end of 1936, to face the mutinous troops who were refusing to fight the Communists. Whatever may be the explanation of the kidnapping of Chiang Kai-shek by Chang Hsueh-liang, followed by the surrender of Chang Hsueh-liang and the return of both to Nanking, by plane, Chiang came out of the affair a bigger man. I noted this, writing in France, in the spring of

1937, and am glad to find myself in agreement on this essential point with Mr Hubbard, who writes that the standing of Chiang Kai-shek was in no way impaired by what happened at Sian It was not long before the incorporation of the Red Army in the national forces resulted from this episode another step toward the creation of national solidarity in the face of Japan

ROGER LEVY
Paris, August 1938

FORTY YEARS OF AMERICAN JAPANESE RELATIONS *By Foster Rhea Dulles New York and London Appleton-Century 1937 pp xii* + 289 $3 00

MR DULLES has written an account of American Japanese relations marked by notable objectivity and a judicious choice of historical materials For the past 40 years those relations have mainly been concerned with the rise and decline of the Open Door Policy Mr Dulles assumes that the fundamental issue has always been the attitude of these two powers toward China Other issues, such as the immigration problem and naval rivalry in the Pacific, though appraised, are relegated to the background In 1870 American policy toward Japan and China had little in common with that of the great powers Consequently neither China nor Japan felt any apprehension of American intentions In 1894 came the annexation of the Hawaiian Islands, followed by the seizure of the Philippines in 1898 This put America in a position to contend with the imperialist powers for the spoils of a rich but inert China The new phase was marked by Hay's Open Door notes Following Tyler Dennett's interpretation, the author explains in some detail the background and consequences of the notes Both their motivation and their British inspiration are discussed It is clear from this account that it was not an act of charity on the part of the American Government toward China to issue these notes, but rather an attempt to put a brake on the more impatient powers—especially Tsarist Russia In this way the powers not so influential at Peking, or so well placed geographically for competition with Russia, like Great Britain, or handicapped by a late entry into the race, like America, might secure a "fair" share of the prize However, it is one of the safest maxims in history that the effect, not the motive, matters Regardless of the motive of the Open Door Policy and its corollary, the maintenance of the independence of China, it probably did

help preserve some of the remnants of Chinese integrity in those turbulent years preceding the collapse of Russian ambitions in the Far East

In analyzing the origins of Japanese imperialism, Mr Dulles raises a point of special importance in citing Hideyoshi's expedition to Korea in 1592 as an example of imperialist expansion The use of the term "imperialist" with reference to a feudal country like Japan, in 1592 raises too many fundamental problems to be discussed in a review Mr Dulles uses this term quite frequently, and the way he uses it of Hideyoshi Korean adventure reveals his failure to attempt to explain the nature and dynamics of modern imperialism However, Mr Dulles is well aware of the relatively early appearance of the urge, whether it be called imperialism or not, which propelled Japan so soon after becoming a capitalist nation along the road of expansion In 1887 Viscount Tani defined what was to be one of the most consistent methods of Japanese expansionism *to wait and seize the moment when Europe was in confusion, so that* a still comparatively weak Japan could attain its objectives in the Far East unmolested At almost every serious European crisis—during the Great War, at the depth of the depression of 1931, and in the succeeding crisis shaken years - Japan has taken rapid strides toward its goal

In tracing the change from mutual cordiality between Japan and America throughout the Russo Japanese war to increasing distrust ever since, Mr Dulles points out that both Japan and America were opposed to the consolidation of European imperialism in China Japan rather welcomed the definite entry of America into the Far East by the acquisition of the Philippines Furthermore, since the Open Door notes were patently directed against Russian encroachment in Manchuria and North China, Japan warmly approved of them But for all the heralded success *of these notes and their result in maintaining the integrity of* China, Japanese enthusiasm cooled when there appeared two flaws First, the exclusion of Manchuria from the understanding aroused anxious inquiries from Japan, equivocally answered by the American State Department Secondly, it became manifest that America was quite unprepared to take any measure in support of the Open Door involving even the slightest risk of war This the energetic Theodore Roosevelt and the imperialist minded Taft were both forced to admit Even today this strongly influences American policy in the Far East The Japanese estimate of the value of this purely moral form of coercion, aimed against a Russia prepared to resort if necessary to force, rapidly depreciated America, after the recriminations attendant upon the Portsmouth Conference had died down, felt that the Tsarist menace in the Far East

had been removed only to make way for an equally ambitious but more efficient and better situated Japan

Thus the accumulated fear of Russia which American statesmen had come to feel was transferred to Japan Japan's Siberian adventure further intensified American distrust Perhaps no other power showed more alarm at the Twenty-one Demands than the United States At Versailles there was a combat between the idealistic and muddled Wilson and the resolute Japanese delegation, but drama was lacking since the Secret Treaties had foreordained a Japanese victory But the American public felt that Wilson had yielded supinely The balances were once more tipped in favor of America at Washington in 1922 However, it was far from a complete American victory, for maintenance of the status quo in the Pacific, and the naval agreement, left Japan invulnerable in the Far East In this settlement also appeared the same weakness as in the earlier American policy—the absence of any machinery to enforce it Nevertheless there followed a few years of comparative amity, in spite of America's Japanese Exclusion Act of 1924, the chauvinism of which Mr Dulles uncompromisingly criticizes

Then came the Manchurian Incident, the waning of the Open Door Policy, and its metamorphosis into another essentially moral pronouncement—the Non Recognition doctrine of Stimson which, like the Open Door, has had some degree of success in its early stages, but will fail unless supported by more active or concerted measures The book concludes with a summary of the naval race begun in 1934 and the break down of naval conversations in 1936

Many interesting problems have been omitted, such as a discussion of why Wilson withdrew from the Financial Consortium in 1913, or the effect of the Nishihara loans on American Japanese relations, or, of even more importance, the recognition by the United States of the Soviet Union and its repercussions in Far Eastern affairs Mr Dulles has passed over these and other problems, but it is surprising in a book of this compass that he has covered so much ground

In the bibliographical note, the author lists and comments on the monographs, memoirs, documents, diplomatic records and periodicals which he has used Throughout the book are scattered quotations from newspapers and periodicals of both countries, but almost all the source material is drawn from American rather than Japanese works, unless in translation.

E H Norman
New York, October 1938

MATERIALS ON JAPANESE SOCIAL AND ECONOMIC HISTORY: TOKUGAWA JAPAN (1) *Edited by Neil Skene Smith London P. S. King & Sons Ltd* 1937 *pp* xvi + 176 Illus 5*s*

THIS is the first in a series of studies intended to discover something of the basis, especially economic, of modern Japan It is the result of painstaking editing on the part of Professor Smith, while he was a visiting professor of economics in Tokyo, of translations made for him from writings on Japanese economics Over half of the text is translated from a recent work on *Edo and Osaka* by Professor Shigetomo Koda of the Tokyo University of Commerce Other extracts are from Japanese authors of the 18th century, well known contemporary Japanese economists, and others Effort has been made to select the most valuable material for a well rounded picture of economic life in Japan after the seventeenth century As the second study in the series, a translation of *An Economic History of Japan*, by Professor Takao Tsuchiya, has already appeared in the *Transactions of the Asiatic Society of Japan* (1937) where this work also originally appeared, it is of added value to have this first study printed separately

Following notes on the illustrations (largely old wood block prints of famous places and products), a table of weights and measures, and a short introduction on the social and economic background of Japan there are four chapters under the main headings of resources, population and methods of living, communications, and trade Although much of the material on resources and population has appeared elsewhere the editor's account of the Japanese method of living (pp 37-50) is of general interest It is enhanced, as is the whole work, by the illustrations The section on communications, based largely on Professor Koda's work, is divided into a relatively popular account of roads and a study showing the importance of rice in sea transportation (p 76) Rice from the north of the main island was sent directly to Edo, and that from the south (Hyuga) and northwest (Echigo to Echizen), to Osaka, where it either was consumed or formed the basis of trade between Osaka and Edo

This rice trade, as well as that of products like oil, was affected by the decline of the warriors' financial stability in the east in Edo, whose indebtedness to the Osaka merchants rose abruptly after 1804 (p 81) A description follows of wholesale traders (*tonya*) and broker-merchants (*nakagai*) and the formation of the Federation of Guilds (*kabu nakama*) Rice exchanges were important in Tokugawa life. One of the largest was

that of the Dojima market in Osaka Here, according to *A Guide to the Buying and Selling of Rice* (p 133), written in 1748

> To accelerate the business in actual rice, dealings have been instituted in which actual rice does not figure, but which are based only on quotations Transactions in 10 and 20 *koku* units can also be done From all parts of the country, traders flock here daily, and some make their fortune in the twinkling of an eye, while others suffer heavy loss
> The trade of this market is also particularly noteworthy, in that while it may import millions of *koku*, dealings can be carried on without any rice being touched

Although the selection is well balanced, the extract of Miyazaki's *Essentials of Agriculture* (p 27) is misleading When he states "Japan does not suffer from the scourge of great natural calamities," it should be remembered that because of the severity of the famine of 1783, there were tales of half the population starving in the north, while conditions were so acute that 27 peasant uprisings were recorded for that year alone The mention of persons by more than just their honorary titles or popular names, as Mizuno Tadakuni for Mizuno, Echizen no Kami, and Matsudaira Sadanobu for Rakuo Matsudaira (p 89) would simplify identification for those not familiar with Japanese names For the sources on which Professor Koda and others based the statements in their secondary studies, this volume is of little aid, but that is asking too much, perhaps, of an undertaking which so admirably presents materials on Japanese social and economic history after 1600

HUGH BORTON
Columbia University, October 1938

WAS WILL JAPAN? *By H. H v Doemming Jena Diederichs Verlag.* 1934 *pp.* 309. WELTREVOLUTIONS-KRIEG *By Eduard Stadtler Dusseldorf Neuer Zeitverlag* 1937 *pp* 304 MOSKAUS HAND IM FERNEN OSTEN *By E Modlhammer Berlin-Leipzig Nibelungen-Verlag* 1937 *pp* 186 M 4

THESE three books are listed together, because they are all written from the standpoint of German national-socialism, and because they all concern the Far East Their factual value is nil, in fact, they contain many doubtful data which may mislead the reader Their significance lies in the political attitude which they disclose and in the connection between this attitude and the position of the present German Government in the Sino-Japanese conflict In spite of the considerable

interest of German export trade and political expansion in a non-Japanese China, the prevailing tendency of the Nazi regime has been to support Japan's imperialist aggression in its manifold activities. China's case therefore is presented with increasing distortion, whereas Japan's policy appears as fully justifiable, or even as something that deserves admiration and imitation

The conquest of Manchuria is approved, with racial and historical arguments. There may be 32 million Chinese in Manchuria and only 80,000 people who still speak Manchu, but formerly the Manchus controlled this territory Therefore the Japanese "merely returned Manchuria to its legal masters" (Doemming, p 150) Modlhammer does not worry about the historical aspect at all For him the problem boils down to the simple philosophy of the stronger stick The Japanese army felt able to take Manchuria, and so it did "As always, here again it was only success which decided" (p 90) If Manchuria had been linked to Nanking, it would have been open "to the American-Chinese anti Japanese influence" (p 89) That had to be prevented China now receives the good advice to subordinate itself to Japan, which in any case "cannot tolerate the development of a strong and united China" (Doemming, p 202) Japan absolutely must have China's markets (Modlhammer, p. 113) You may call that imperialism E Stadtler does not shun the expression "Japan, paying no attention to Versailles, will realize its Asia Imperialism" (Stadtler, p 259)

The main enemy of Japan remains the Soviet Union This point is elaborately developed by all three authors But unfortunately Japan, at the same time, "had to become the most intense world rival of the Anglo Saxon powers" Besides being bound to attack Russia, "Japan's colonial and economic policy has to push aggressively against the Anglo Saxon world" (Stadtler, pp 232 ff) "Japan has become a fatal danger to England," and "it is well known that Japan also is a deadly enemy of the U S A" (Stadtler, pp 285 and 232)

The conclusions from these statements are bland and frank They are offered in the shape of jovial admonitions—not to the Japanese Government, because it apparently does not need them, nor to the U S A "which, speaking among ourselves, really does not know much about high politics" It is England which Dr Stadtler lectures. The time of England's political leadership has gone, irrevocably (p. 284), and England would do well to follow the leadership of younger and stronger imperialists, like Mussolini and Hitler England ought to open Australia to Japan (p 266), whose surplus population feels very much attracted

by southern regions like the Philippines, Australia, Polynesia, and Hawaii (p. 233). England ought to give money and raw materials to Mussolini, who needs both (p 265), and link the Empire state with the states of the "axis"

That is the constructive, positive plan of world politics offered by Dr Stadtler and his friends The possibly destructive, negative side is only discreetly hinted at If England, in self defense, should decide to fight Italy, then Japan, "lying in ambush," would certainly and at once seize Australia "for reasons of Asiatic population, policy and morale " Hitler's Third Reich might not be too eager, either, to thank England for "services" rendered to Germany (quotation marks in the original, Stadtler p 261) And—"think of the world of Islam, think of the Negro Front in Africa!" (p 265)

The tone is amazing, but so is the argument All of the implications cannot be dealt with here One thing, however, is clear beyond any doubt as far as the Far East is concerned, in the eyes of these Nazi writers Japan's aggressive policy is completely approved Significantly, Modlhammer's book is headed by a statement of the Japanese chargé d'affaires in Berlin It is prefaced by Von Ribbentrop, who once more emphasizes the international union between Japan, Italy, and Germany

K A Wittfogel
New York, September 1938

Japan Defies the World *By James A B Scherer New York Bobbs-Merrill Company* 1938 *pp* 311 $2 50

Dr Scherer went to Japan in 1892 to teach English Many years later he became President of the California Institute of Technology He revisited Japan three times between 1923 and 1932, and again for the four years 1932 to 1936 He has written many books about Japan, was decorated by order of the Emperor with the "Order of the Sacred Treasure", and says he loves the Japanese people His book is a mixture of impressions of Japanese life and history, together with a violent indictment of the present military and ruling classes It includes chapters on the "Militarist Tradition," "Emperor Worship," "Hara-Kiri," "Geishas," "Filial Prostitutes," "Peasants and Population," "The Four Big Families," and the modern political scene and its international setting While I am not familiar with Dr Scherer's earlier works, this

book contains a good deal that might have appeared in them, dressed up with appropriate comment on the present crisis. This is not to suggest that it is uninteresting or "shopworn." It is, however, the usual story of Japan that every commentator must and does tell. It is the description of an observer or reporter rather than the scientific analysis of an economist or political scientist.

Dr Scherer arrived in Japan during the "romantic period" when Japan was still a theme for light operas in the Western world, and at a time in his own life when the quaint and the romantic were bound to make a special appeal. Though he is not uncritical of "this" Japan, the influence of it still lives on and one gathers that the modern and dangerous Japan is artificial and unnatural, and not the true Japan that lives in the hearts of the masses of its people. This section of the book is familiar ground. The other sections are more interesting and valuable. The author has special knowledge of many of the Japanese leaders. A number of those now in the headlines were his students in Saga many years ago, and one begins to understand them (or thinks that one does) as he writes of their boyhood characters and ideals.

The section dealing with the militarist tradition is particularly interesting. It attempts an analysis of Japanese history and society, and gives a reasonable and persuasive explanation of the central position of the soldier in Japan, as contrasted with China.

The final chapters describe under the title of the "Eight Crucial Incidents" the history of the last seven years. The interpretation of these "Incidents" or "*affairs involving violence*, whether a plot of four men or a war against 400 million" is revealing—if accurate—of much that is difficult to understand in recent Japanese history. But one cannot help feeling that the author is a man of strong personal likes and dislikes, and that his opinions of individuals and of their actions are likely to be colored by these sentiments. *Japan Defies the World* should be read by all those who are concerned about the Far East. But certain sections of it at any rate should be read with discrimination, and the opinions expressed should be checked with those of other experts and authorities.

An appendix gives in chart form the "set up" of the four big families of Japan, the Mitsui, Mitsubishi, Sumitomo and Yasuda, and will repay examination by those interested in centralized control and interlocking directorates.

NORMAN MACKENZIE
Toronto, April 1939

THE JAPANESE MANDATED ISLANDS. *By P. C Pauwels Thesis, Batavia Law School.* 1936.

THE relationship of Japan to the former German islands in the Pacific, north of the equator, dates back to the world war, when the Japanese forces occupied them The germs of the legal tie lay in a secret promise made by England to Japan in 1917, to refrain from opposing Japan at the peace negotiations if it claimed the right to annex this archipelago But the Peace Conference gave birth to the idea of mandate government, which was eventually applied in varying degrees to nearly all the former colonies of Germany and Turkey So the germs did not develop quite as Japan had imagined, but the C mandates, to which the Japanese mandate belongs, provide for government by the mandatory power as an integral part of its own territory, with little difference from annexation in practice.

Chapter III, "How Japan Carried out the Mandate," shows that the economic profit from annexation could hardly have been greater than that which accrues under existing conditions One may give Japan credit for having stimulated the development of these islands by subsidies, but the fact remains that the results have been beneficial only to the Japanese themselves This chapter is the best in the book The useful information about these relatively unknown regions contained in the annual reports of the Japanese Government to the Permanent Mandates Commission and in the minutes of the sessions of this Commission is considerable, and is systematically dealt with here and arranged for easy reference

Not so successful is the account of the negotiations at the Peace Conference The reader who does not know the history of the prolix mandates articles of the Covenant will meet with difficulties if he tries to learn what it was from the many drafts here printed in full A similar objection might be raised against the last chapter, on the question whether Japan can retain the mandate after leaving the League To defend his own affirmative answer he quotes no less than 17 writers This may be a proof of serious study, but results in a tiresome repetition of many arguments. Besides, the question has remained academic, since the League has not taken any explicit decision Instead of looking for juridical arguments to gloss over this queer situation (a method gratefully resorted to in these days), one would have preferred to put the question in this way Would there be any chance of the mandate being allotted to Japan now, if the League had to fulfill this task once

more? Notwithstanding the perfectly correct manner in which Japan has carried out the mandate, it seems safe to say that the answer would be in the negative.

H. EDELMAN
Netherlands, May 1938

THE LAST GENRO: THE MAN WHO WESTERNIZED JAPAN *By Bunji Omura Philadelphia Lippincott* 1938 *pp.* 442 $3 50.

FOR 20 years Prince Saionji Kimmochi has been the most distinguished subject of the Emperor of Japan He is now 88, and Mr Omura has brought out a biography of 442 pages while the last remaining Elder Statesman is still alive He calls it "a romance based on authentic historical facts" It is written like a novel, with conversations reported at length and emotions described in detail It was apparently written in English, and perhaps this enabled the author to avoid making it a mere panegyric, which the biographies of distinguished living men generally are Both the principal and subsidiary characters are handled with a freedom which in most countries would get the author into serious trouble There are three useful appendices a glossary of Japanese words, a gazetteer of places, and a Who's Who of some 2[illegible] people. Of these 12 were assassinated, three (actually several more) had their lives attempted, some of them several times, and one slit his belly in the approved manner.

There is an extraordinary quality about the book, especially in the manner in which the characters address one another. The author has apparently adopted styles of address such as he thinks that foreigners would use, rather than such as Japanese use toward one another Prince Ito is constantly addressed as "Genro Ito," and Saionji as "Prince" from his youth up, though his *kuge* title would not be so translated. In the conversations, the author has a double purpose he reports what the characters might quite credibly have said on any one occasion but he also has an eye on the instruction of the reader, and sets forth the changes in the Japanese scene and the attitudes towards them adopted by Japanese of varying temperament

There is no lack of due hero-worship of Saionji, so Mr Omura rather defiantly gives us Saionji's succession of mistresses, it being a family tradition that the head of the house of Saionji does not marry This creates a travesty of the continuing family, for though custom permits

and even ordains that the succession be kept up by adoption when the line fails, with the Saionjis it was all adoption and no line Saionji was a Tokudaiji by birth, and his younger brother was adopted into another family, and became a merchant prince, Baron Sumitomo

Saionji is represented as more often than not beginning a remark or a speech with "Huh"—which may be a mannerism of the great man, but becomes a little monotonous in print Mr Omura hardly seems to convey the Japanese sentiment regarding murder He makes his characters deplore the somewhat frequent assassinations, but does not explain the amount of admiration with which they are regarded Fitzurse's speech in Mr. Eliot's *Murder in the Cathedral*, in which he emphasizes that the murder was "disinterested," would have been superfluous in Japan, where the disinterested murder is the subject of spontaneous and unfeigned admiration

The reader will get a very fair idea of Saionji's character and of some of the political changes in Japan To call Saionji "the statesman who Westernized Japan" savors of exaggeration He gives rather the impression of having done much of his work under protest A studious retirement was always his aim, and he has never been allowed to enjoy it for long Japan works its old men very hard

A Morgan Young
Oxford, July 1938

Bibliographie von Japan, 1933 35, mit Ergänzungen für die Jahre 1906-32 Vol V of the work commenced by Oskar Nachod, containing references Nos 18309 to 25376 *By Hans Praesent and Wolf Haenisch. Leipzig Hiersemann* 1937 *pp* xii + 452

Gathered in the main from two great German libraries with which the editors are connected, the 7,000 references here collected indicate a considerable increase in foreign-language literature about Japan, compared with the previous three-year period Even so, the compilers do not claim to have had access to all those sources which would have to be surveyed to make such a work as this really comprehensive In Japan itself the compilation of bibliographical reference material is as yet incomplete, and one notes with regret that evidently important foreign publications have not been accessible to the authors in the original, though, to judge from listings in the catalogues of German distributing houses, there must be copies of them somewhere in the Reich.

As in the previous volume, the arrangement departs from that used by Nachod himself, which was influenced by his Japanological interests, and reflects more closely the present preoccupation of German scholars with a geo-political approach to the study of peoples and nations The result is decidedly helpful from the pragmatic standpoint With the adoption of a more refined system of subtitles, the editors avoid the necessity for a subject index Cross references under each subtitle take the place of multiple listing of individual titles Since German and English names and titles predominate, there is not the difficulty sometimes experienced with German works in regard to the transliteration of names

For many topics, no other reference work even remotely approaches this in completeness, and for the subject as a whole this volume joins its predecessors as undoubtedly the fullest and most reliable standard work

BRUNO LASKER

LA TRAGEDIA DELLA CINA *By Mario Buggelli Milan Libreria Antiquaria Mediolanum* 1937 *pp* x + 308 *Illus.*

THIS book aims to explain the political situation of China at the end of 1936 and its possible developments The examination of the geographical, racial, economic, political and historical foundations of China's life keeps to well known lines Some inaccuracies do not essentially mar the interest of this section nor its utility for the general reader However, the relations between China and the West cannot be thoroughly appreciated when the author, after dwelling on Macartney's embassy (1792), jumps to 1875, without even mentioning the wars of 1840 42 (Nanking Treaty) and 1856-60 (Tientsin treaties), the Taiping rebellion, the Ili Treaty, etc As to present conditions, the author puts too much stress on the political independence of many provinces of China from the National Government, the purposes and achievements of which he undervalues

The situation of China, between Japan and the Soviet Union, is the main topic of the book The author believes in the probability of an increasing cooperation between Japan and China in order to fight against the Communist forces in the North, and states that "the Nanking Government will never reject a Sino-Japanese cooperation, aiming at the organization of the yellow races . . . excluding any influence . of the Western powers." This has for the time being been completely dis-

proved by events, but prophesying is always a dangerous trade, particularly in Far Eastern questions.

C. Draconi
Rome, August 1938

FRENCH INDO-CHINA. *By Virginia Thompson. New York: The Macmillan Company. (Published for the American Council, Institute of Pacific Relations.)* 1937. *pp.* 517. $5.00.

MISS THOMPSON'S work is the first study in English of France's Far Eastern colony as a whole. In fact it is really the first of a general character to include all aspects of the country as well as its sociological, economic and colonization problems. The bibliography on French Indo-china, in French, is infinitely rich, but most books and articles only take up a single point of detail or a particular problem. The same applies to the increasing number of works or periodicals now being printed in the Annamese tongue. Miss Thompson provides all that the historian, sociologist or economist could legitimately wish for. The various aspects of the Indochinese question, such as the more or less unhealthy state of colonization, political evolution of the administration, conflict of races, reactions of individuals—all are set forth with marked exactitude and perspicacity.

Yet Miss Thompson, in my opinion, commits a slight error in considering the policy and methods of French administration in Indochina as a whole. One must guard against forgetting that for long, and until recent years, the French Government and French opinion as a whole focused their attention almost exclusively on North Africa. The unhappy result of this was to make the colonial administration in Paris believe that lessons learned from Southern Mediterranean experience were applicable to all French colonies.

Neither can the question of newly arrived administrators and their attitude towards more experienced colleagues be considered as one forming part of the administration as a whole. Miss Thompson correctly cites the reasons emanating from character and French internal politics that prompt them to suspect and avoid one another the moment they set foot ashore in the colony. This is true. But it seems to me that another element enters in to cause this attitude. In a contemporary French novel, *Partir*, by Roland Dorgelès, a French traveler arriving in Egypt exclaims, on contemplating the seething crowds of Alexandria: "Ptolemy

did not discover Egypt I have!" I quote these words from memory to illustrate the mentality of the newly arrived French colonial administrator in Saigon or Hanoi He has ambition, a will to discover, a sort of feverish desire to dissect for himself all the tangled aspects of relations between the French and the Annamese (or Cambodians or Laotians) He gives no heed to observations from his predecessors but prefers to reconstruct things personally and try by his own proper reasoning to reach conclusions either new or old He has none of the conformist ideas of certain foreign colonial officials Is not the best and only way to gain his ends to turn his back resolutely on his colleagues and pore over the new problems facing him, alone and by himself?

Apart from this criticism, or rather suggestion, the sociological part of Miss Thompson's work is excellent The same can be said of the economic matter, though I should like to have found more figures statistics and charts In the same way the absence of one or more good maps is regrettable, as that at the head of the book is more a sketch than a real map

All considered, Miss Thompson has made a valuable contribution that will prove useful not only to the English speaking public but that of France as well It is to be hoped the volume will be widely read Its publication during a time of stress in the Far East, when French Indochina may be called to play an important part, increases the book's worth

Jean Yves le Branchu
New York, August 1938

New Guinea *Published by J H de Bussy under the auspices of the Moluccas Institute, Amsterdam* 1937

The first volume of this standard work came out in 1935 and the volume now under review—Volume II—appeared at the end of last year Volume I dealt with soil, climate, vegetation, fauna, population, forests and missions Volume II devotes 400 pages to a consideration of the two closely related aspects of economics and government A third volume is in preparation

Chapter One of the second volume treats of the government organization, including the judiciary department, police and finance. The writer W. A. Hovencamp, late Resident of Ternate, pleads for the creation of an independent province out of the Territory of New Guinea, with a

financial and administrative organization of its own and a governor, whose position shall correspond to that held by the representative of the Australian Government at Port Moresby.

The chapter on agriculture presents an extremely interesting account of the way in which the primitive people of this remarkable island till the soil. The author, K. van der Veer, who is an expert in these matters and at present holds the position of Agricultural Adviser at the Colonial Institute, Amsterdam, shows what a valuable cultural possession even this very primitive form of agriculture is to the inhabitants of these regions. The Papuans, who still live under stone-age conditions, have succeeded in developing methods by which they are able to work the soil in the most economical way their circumstances permit. He also points out that the autarchic character necessarily assumed by the form of social organization prevalent among these people impedes the progress of modern civilization among them. There is not the least doubt but that the opening up of this erstwhile isolated country will stimulate and promote the development of the native tribes, which now, completely cut off from the rest of the world, often spend their time warring among themselves.

Then follow interesting descriptions of sea-products, fisheries and bird shooting regulations, by Prof. Dr. H. Boschma, and the chapter on mining and geology, by P. Hovig. Dr. W. C. Klein, the editor of this work, contributes a survey of exports and imports, trade and industry, giving a comprehensive picture of the economic condition of the island. He points out what methods are being employed to promote the means of gaining a livelihood. The last chapter, by G. W. Tissot van Patot, deals with shipping.

In both volumes each chapter is followed by a summary in English. Both volumes are extremely well and copiously illustrated.

J. Tideman

Problemi Navali del Pacifico. *By Roberto Sandiford. Roma: Istituto Italiano per il medio ed estremo-Oriente. 1936. pp. 58.*

In this brief survey Japan is accorded the leading role. While not credited with the present ability to defeat decisively any of its possible adversaries, Japan's defensive position, in which the potentialities of Vladivostok appear to have been underestimated, is held un-

challengeable The author emphasizes the internal rather than external nature of Japan's problems The United States, charged with disrupting the Anglo Japanese alliance, is considered similarly limited to a defensive attitude The Japanese population in Hawaii is deemed to be a menace, and Manila an insecure port of refuge, an opinion hardly compatible with its fortifications There is a short description of the British naval bases, and American cooperation is assumed. The Soviet Union is considered the only country which, with the United States, can attempt to oppose a Japanese hegemony in Asia An eventual Soviet avenue through China to southern waters, rather than a clash with Japan, is deduced from Soviet neutrality during 1931-32 Great importance is accorded France's continental and insular colonies, because of their usefulness to the United States and Great Britain and as a bulwark of the white race against Asiatic dominion Strategic value to the "whole white race" is attached to the Dutch East Indies, which Mr Sandiford foresees as becoming international political property Though the location of the Japanese islands is held to preclude future Chinese seapower, victory is almost promised to the belligerent whom China assists After sketching the problems of Siam and the Portuguese possessions, Germany's commercial inroads into China are outlined and the possibility noted of a reappearance of the Reich naval flag in the Pacific In discussing Italy's interests a "decisive part" is prophesied for Italy in the Far East and in the Pacific, the "world's Mediterranean."

ALEXANDER KIRALFY
New York, October 1938

THE WORLD CRISIS *By the Professors of the Graduate Institute of International Studies London and New York Longmans, Green & Co.* 1938 *pp* xii + 385 $4 00

THIS volume celebrates the 10th anniversary of the Geneva Institute The essays fall into three groups: political and historical, legal, and economic The Rappard Institute is a rampart of economic liberalism, and the essays are written from this point of view If the volume has any weakness, it is the lack of adequate explanation why economic liberalism has broken down and is being supplanted by totalitarianism No amount of eulogy of its virtues can restore liberalism unless we can remove the causes of its present eclipse. Perhaps the two most interesting and penetrating essays deal with the crisis of democracy

and with international economics The former, by Professor Bourquin, says of the virtue of opposition

> Men of action need the curb of external forces Moreover, opposition, which we are apt to think of as a censor and a resisting force, also has a creative function Opposition takes the form of new ideas, challenging routine and prejudice it is the seed finding its way into the soil, the future growing out of the present Every advance, every invention, every big movement that has made history has its roots in opposition.

He believes that the maintenance of democracy depends not only on the efficiency of its institutions, but on the driving force of public opinion, represented through political parties But parties have ceased to be in harmony with social realities They no longer are vehicles of ideas, and this is the danger Democracy, to survive, must make possible the development of intelligent leadership "of all political systems, democracy is the one that needs an aristocracy . not one of birth, nor one of means, but one of ability"

Dr Ropke clings to his faith in intellectuals In his opinion every great movement in history is due to them and he is optimistic enough to assert that by "constructive thinking on the pressing problems of society, the world of tomorrow is being prepared at this very moment in a few private studies and at a few centers of scientific cooperation" Like his colleague, Professor von Mises, he is opposed to economic planning and the endeavor to build a cycle-proof society Too much doctoring of the economic structure may unfit a state for military purposes, and it follows that if the democracies cling to economic liberalism, they may win the next war He fears that as the world enters a new depression, it will not have the discipline to submit to the temporary sacrifices which served as a curative in the past, but that we shall "plunge into enormous public credit expansion, public investment and national economic control and complete the destruction of the old economic system" The theory of the new economics is that the state should keep everyone from going into bankruptcy But the result is that we merely drive the germs into the arteries In exchange for capitalism we shall get "poverty and disharmony greater than ever before, becoming chronic into the bargain"—not to mention the loss of political liberties There is some truth in the diagnosis, but to fight off the epidemic now raging throughout the world the learned doctors offer no prescription.

RAYMOND LESLIE BUELL
New York, August 1938

HAWAII'S CROP PARADE *By David L. Crawford Honolulu Advertising Publishing Co., Ltd.* 1937 *pp* 305

PERHAPS never before has such an array of facts on Hawaiian crops been assembled The problem of diversification is stressed, and the achievements of "prospecting" for suitable crops for Hawaii, together with the reasons for diversification of agricultural industries Of special interest is a broad discussion of the historical phases of agricultural development in Hawaii The history of land occupation is divided into three periods In the first there was a primitive forest vegetation In the second, Polynesian settlers populated the islands until 1778, when Captain Cook arrived Since then, in the third period, agriculture has been diversified The development of the sugar industry and its relation to other crops and to the economic condition of the people, the panic of 1880 in the United States and the severe depression which followed, are dealt with in detail Then came industrialization and the annexation of the Hawaiian Islands by the United States A higher institution of learning was established in 1907, and agricultural research followed Separate chapters are devoted to homesteading, experiment stations, cooperative extension service, and the present and future in agricultural industries

Crops are classified according to value of production Sugar and pineapples are grown to the value of $10 million a year Other crops range down to less than $50,000 a year Some 300 agricultural crops, animals, forest plants and their products and manufactures are enumerated. Sugar cane, rice, bananas, coconuts, coffee, taro, tobacco, tomatoes, algaroba, swine, cattle, dairying, etc , are accorded several pages each The role of the Experiment Station is discussed, with suggestions for the improvement of a number of crops and industries In addition to the general index, source references are given for the major topics

VICTORINO BORJA
Manila, July 1938

WHAT WAR MEANS (IN AMERICA THE JAPANESE TERROR IN CHINA) *By H J Timperley London Gollancz pp* 288 *New York Modern Age pp* 224 1938 *7s 6d 75 cents*

THERE is a danger that this book may be taken simply as an "atrocity indictment," building up unreasoning anti-Japanese feeling all over the world by the anger and disgust it arouses That would

be a tragedy. It is true that some of the facts are here soberly stated, and that they go beyond some of the crimes of some Japanese soldiers; they substantiate beyond reasonable doubt accusations that dishonor the whole Imperial Japanese Army. As such they form an indispensable part of the documentation of Japan's attempt to conquer China by brute force. The material includes eyewitness reports by Americans of atrocities in Nanking and correspondence and specific complaints addressed by the International Committee for the Nanking Safety Zone to the Japanese authorities.

This is not enough, however, because it is merely negative. Anti-Japanese feeling that is guided by hate and the demand for revenge—even if it be called "just punishment"—is barbarous. It repeats the savagery of the "Hun" propaganda against the Germans 20 years ago—a savagery that does not end war, but breeds new wars. If there is anything as criminal as another 1914, it is another 1919. Are the Japanese a cruel, subhuman race that must be beaten to a pulp to "make the world safe for democracy"? Certainly not. Then what are we to make of the undeniable Japanese atrocities in China?

This is what makes imperative a study of something wider and more profound than butchery and rape. Let us recall that while the Fascists in Spain have bombed behind the lines for more than two years, with sickening regularity, in the name of "military necessity," the elected Government of the Spanish people, with magnificent restraint, does not retaliate. While neutral reporters told how the Nazi press and radio were whipping up frenzy against the Czechs with expressions that could not even be printed in other countries, the spokesmen of the Czechs demanded of their people sobriety and discipline. While Japanese troops have bayoneted prisoners and dropped bombs wherever they could see a crowd, the Chinese have bombed Japan only once—with pamphlets instead of explosives.

In short, peoples who are incited to war for the "glory" of conquest by force have first to be doped with lies, with the result that they rapidly degenerate into brutality under the stress of action. Peoples who stand to arms as a last resort, preferring to die in defense of their human rights, instead of being trampled slowly to death after submission, can actually be ennobled by the terrible sacrifices they have to make. Mr. Timperley's indictment against war is also ghastly proof that "peace at any price" does not stop war. Japan, Germany and Italy have spread horror over the world by advocating the right to fight instead of negotiating. China and Spain have heroically de-

fended, even to the bloody paradox of war, the right to negotiate instead of fighting, putting to shame, through slow years of agony, the hesitant democracies of England, France and America. From such peoples we can expect, when they have won their victories, not reprisals leading to future wars, but justice, generosity and a firm front against future wars. A. W C.

DIE BRITISCHE HANDELSPOLITIK SEIT OTTAWA UND IHRE WELTWIRTSCHAFTLICHEN AUSWIRKUNGEN *By Hans Schlie Jena Gustav Fischer* 1937 *pp* xvi+241 RM 12

DR SCHLIE presents an excellent and immediately useful analysis of the effects of the Ottawa Agreements on empire and world trade The treatment of the Agreements proper is introduced by a short summary of Great Britain's nineteenth century trade policy and by a less stereotyped account of the twentieth century economic misfortunes which preceded the Ottawa Conference In this section, and in the major part of the book, the author uses—with a facility rare in continentals—the mass of relevant official and unofficial publications of the various political units which make up the British Empire

The technical arrangements made at Ottawa interest the author less than the results of the new policy He can carry the commercial statistics no further than 1935, but he can take them back through the changing twenties to the pre-war period Using a large number of simple, readable tables, he shows the ups and downs of countries and commodities But when at the end it becomes necessary to answer the question "What are the results of Ottawa?" Dr Schlie concludes that no single answer can be given The picture lacks unity To take just one example the share of the empire in Great Britain's exports and imports rose after Ottawa, but exports to the empire averaged no higher than in 1926 1928

The central problem of the imperial question, as the author sees it, is the new encouragement of agriculture in the British economy, with its consequent pressure on the dominions to seek agricultural outlets outside the empire A problem on the horizon is the growing industrialization of the dominions and a second impetus to go outside the empire for markets The author concludes, as others have concluded before him, that an empire customs union sheltered by a high tariff wall from the rest of the world is undesirable and improbable.

ALZADA COMSTOCK

KITASHINA KEIZAI SOKAN (ECONOMIC HANDBOOK OF NORTH CHINA). *Compiled by Industrial Dept, S M R Co Tokyo Nippon Hyoron Sha* 1938 *pp* ix + 638 + 82 ¥2 80

WITH the shifting southward of the major battle lines in China, the question of the economic rehabilitation and development of North China appears to be attracting more attention than ever as a pressing issue This is now one of the most frequently and seriously discussed topics in Japan and abroad North China has suffered more severely than any other part of China during the past few years of economic depression, mainly because of its backwardness in economic development Almost as characteristic as this economic backwardness is the singular scarcity of accurate, reliable data

The book under review does much to meet the demand for reliable source materials The SMR's Economic Research Institute, now incorporated into the Industrial Department, has done research work on Manchurian economic conditions which augurs well for this work on North China Among the many publications put out since the outbreak of the war, it seems to stand out in accuracy and authenticity It has behind it the painstaking research of a large staff who have been engaged in investigating economic conditions in North China on the spot for the past several years Although the book contains valuable work in the scientific analysis of North China's economic and social conditions, based on these materials, its value should not be judged by this alone The compilers did not intend it to be primarily an analysis of social and economic structure, so much as a collection of materials on which to base a scientific analysis In this the book differs from the useful *Manchurian Economic Year Book* published by the former Economic Research Institute since 1933, which aimed primarily at a theoretical, analytical study of economic conditions in Manchuria

In Part I, an elaborate attempt is made to give the general outline of the basic economic and social conditions of North China, including an ably condensed historical survey of the political and social background of the past half century, and brief studies of international relations, including the rights and interests of the Western Powers It is conspicuous that there is no corresponding treatment of the same subjects with reference to Japan This is to be regretted, although partly compensated for by a chapter on economic relations between North China, Japan and Manchuria, which throws a highly suggestive light on the

hitherto rather obscure side of the "Eastern Asiatic economic bloc" of Japan, Manchukuo and North China. The part which North China could play in such an economic bloc will be of growing importance; but an objective and accurate treatment must depend on a comprehensive grasp of factual relations existing between the three units of the bloc In this book, North China's economic relations with Japan are studied from the angles of trade and investment, while those between North China and Manchuria are examined from the angles of interchange of commodities, of capital investment, and of labor, especially Chinese coolie migration.

Materials collected in this section point to the similarity of both natural conditions and social development between North China and Manchuria This, despite their geographical propinquity, has limited their interdependence in commodity interchange. Accordingly, development of exchange of goods between the two areas can only follow a drastic change in commodity production in one region or the other. Furthermore, the years since 1931 have tended to undermine such intrinsic relations between North China and Manchuria, and also to liquidate what remained of Manchuria's colonial relation to China proper The main trend has been in the direction of developing a new market in North China for Japanese goods, through Manchuria Thus in the matter of capital relations, the prosperous activities of North China interests in Manchuria have been terminated, both in commerce and in usury. This has resulted in rapid reorganization, with a definite shift toward a modern capitalist system Manchukuo's imposition of restrictions on Chinese immigrants created an important problem in labor relations, but the present Manchurian industrial development plans, with increasing demands for labor, are likely to restore North China's position as an important source of labor supply

Part II deals with specific items of North China economy, such as agriculture, mining, manufacturing, transportation, commerce, foreign trade, monetary system and finance As it is now generally agreed that the agrarian and the currency problems constitute the two most vital questions of the North China administration, the main emphasis is laid on these subjects In addition to the numerous statistical tables in the text, there is a most useful appendix, containing more than 50 tables In view of the previous lack of accessible statistical material, this appendix alone is a brilliant contribution to the study of North China Considering the present interest in all countries, even a partial translation of this book would be well worth undertaking

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